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WORLD WHEAT PROSPECTS

Summary

The world stocks or carry-over of wheat on July 1, 1936 now seem likely to be reduced considerably. The surplus of wheat available for export and carry-over in Canada, Australia, and Argentina as of January 1 was about 140,000,000 bushels less than a year ago. The United States is likely to take some of this and European countries are likely to take more in the next 6 months than they did in the corresponding period of a year ago. With only a small surplus in Argentina and Australia, Canada now has an opportunity to reduce her surplus stock to about normal size. Stocks in the United States January 1 appeared to be about the same as a year ago and if the imports for the season do not exceed 35,000,000 bushels, stocks in this country at the end of the season may be slightly less than at the beginning of the season, with a fairly large proportion of low grade wheat leaving stocks of good milling wheat probably down to or somewhat below normal.

If the winter wheat crop turns out to be in the neighborhood of 530,000,000 bushels as indicated in the December crop report and if the size of the spring crop falls within a probable range of from 200,000,000 to 275,000,000 bushels, total likely production would fall between 725,000,000 and 800,000,000 bushels. Even allowing for the fact that a carry-over on July 1 will contain an unusually large quantity of light, poor milling quality wheat, a crop within this range would provide a surplus available for export. In order to export significant quantities of wheat prices in the United States would adjust to lower levels. The May future at Chicago has been running about

6 cents over the corresponding month at Liverpool, whereas the July future at Chicago is currently close to 7 cents under the July Liverpool. With Hard Winter wheat demanding substantial premiums this season, prices of such export wheat would be expected to make a greater adjustment than in the case of the futures.

Some decrease in acreage of fall-sown wheat has been reported in several of the important wheat producing countries of Europe, that for France being about 3-1/2 percent less, Czechoslovakia 2 percent, and Poland only slightly less than in 1935. A 6 percent reduction for the United Kingdom and a substantial reduction from the very large acreage sown last year in Rumania are also reported. A normal acreage appears to have been seeded in Bulgaria, Hungary, and Yugoslavia.

The 1935-36 world wheat crop is now estimated at 3,485,000,000 bushels which is the same as the latest revised total for 1934-35. The increase in the Northern Hemisphere total from 3,038,000,000 bushels in 1934 to 3,122,000,000 bushels in 1935 is offset by the decrease in the Southern Hemisphere. Most of the revisions in the estimates of the 1935 crop received during the past month have been of minor importance. A revised estimate of the 1934 production in Spain, however, has increased the 1934 European total from 1,535,000,000 bushels to 1,548,000,000 bushels compared with 1,547,000,000 bushels in 1935. Production in Spain was 186,834,000 bushels in 1934 and 153,942,000 bushels in 1935, according to the present estimates.

The increase in Argentine minimum wheat prices on December 13 not only raised prices in importing markets but, being indicative of limited export supplies for Europe, tended to stimulate purchases, especially in Belgium and Holland. Canadian export activities and the re-entry of France as a possible exporter of cheap wheat have tended to act as offsetting influences.

The European market this season is largely left to Canada, which country appears finally to be taking advantage of the situation by keeping its prices in line so as to reduce its large wheat stocks. The European import requirements for the 1935-36 season are now estimated by the Bureau to be in the neighborhood of 370,000,000 bushels compared with about 352,000,000 bushels a year ago.

United States Wheat Supplies as of January 1 and July 1

Present indications point to January 1 stocks this year as about the same as January 1 a year ago. The total of stocks on farms, commercial stocks, tentative estimates of merchant mill stocks, and Murray's estimate of country elevator and mill holdings amounts to about 428,000,000 bushels for January 1 this year, compared with a total in the same positions of 430,000,000 bushels a year ago and 559,000,000 bushels in 1933.

This total of stocks may be considered closely comparable to the total which is regularly used in arriving at the carry-over as of July 1. The various sources used in arriving at the two totals are the same except that the January 1 figures given above for country elevator and mill stocks are estimates of Nat C. Murray, whereas the July 1 figures of carry-over include the Department of Agriculture estimates of interior elevator and mill stocks. While data on merchant mill stocks will not be available until still later it is expected that they will be less than for other recent years as the result of the uncertainties which have prevailed in the flour markets this year. Merchant mill stocks may possibly amount to 110,000,000 bushels, including wheat owned, stored for others, and in transit, compared with 119,000,000 bushels last year and 130,000,000 bushels in 1934.

Table 1 shows figures of estimated stocks in the different positions as of January 1 for the years 1932 to 1936 inclusive. Some revision in the January 1, 1936 figures is to be expected when the official estimates of stocks in interior mills and elevators are published and when the Bureau of Census data become available. Figures on stocks in interior mills and elevators as of January 1 were published by the Bureau for the first time in 1935.

If total stocks of wheat in all positions turn out to be about 428,000,000 bushels it would indicate that disappearance from July 1 to December 31 was about 347,000,000 bushels. Stocks on July 1 were 152,000,000 bushels, production 603,000,000 bushels, and net imports will probably be close to 20,000,000 bushels for the first half of the year, making total supplies of 775,000,000 bushels.

Total disappearance for the entire season is especially difficult to forecast because of the uncertainties in connection with the light-weight

spring wheat. There is still no way of arriving at an estimate of the amount of the light-weight wheat which will be milled or fed before July 1. Earlier in the season the Bureau, after making a great many assumptions in connection with this light-weight wheat, ventured an opinion that imports of milling wheat might be in the vicinity of 35,000,000 bushels. If the large supplies of light-weight wheat result in imports approximating this figure and the feeding of light wheat is not especially heavy, total disappearance for the year might possibly be between 640,000,000 and 650,000,000 bushels and July 1, 1936 stocks between 140,000,000 and 150,000,000 bushels. Considerable light wheat will doubtless be included in the July 1 carry-over.

Table 1.-Wheat stocks in the United States on January 1, 1932-1936

Item	1932	1933	1934	1935	1936
	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.	Mil. bush.
On farms	322.5	273.0	196.5	137.5	159.4
"Commercial"	226.9	168.5	132.5	90.9	78.4
Country elevators and mills (Murray)	88.0	124.0	100.0	1/83.0	80.0
Merchant mills:					
For own account in mills and mill elevators attached to mills	97.0	112.0	105.8	96.3	(110.0)
For others	18.7	16.2	9.3	10.1	
In transit ("in transit to and bought-to arrive" by merchant mills)	11.5	13.1	15.1	12.4	
Total stocks	764.6	700.8	559.2	430.2	(427.8)

1/ The Crop Reporting Board figure for stocks in Interior Mills and Elevators published for the first time in 1935 was 93,500,000 bushels.

Wheat Production Prospects in the United States

The acreage sown to winter wheat in the United States in the fall of 1935 is estimated to be 47,529,000 acres or 6.7 percent above that of 1934. The condition of the crop on December 1 was reported at 78.2 percent of normal compared with 77.8 percent on the same date a year ago and the 10-year (1923-1932) average of 82.4. The condition of the crop on December 1 indicates that abandonment during the winter will be somewhat above average and yield per acre below average. Based on past relationships, an abandonment from 1935 seedings of between 15 and 20 percent is indicated. Past relationships of December 1 condition to yield and corollary weather studies indicate

a winter wheat crop for harvest of about 530,000,000 bushels compared with 433,447,000 bushels in 1935 and the 5-year (1928-1932) average of 618,186,000 bushels.

The acreage sown to spring wheat has averaged 20,973,000 acres during the 10-year (1923-1932) period, ranging from 17,068,000 acres in 1924 to 22,869,000 acres in 1929. In 1933 it rose to 24,300,000 acres. If acreage should be expanded to 23,000,000 acres with the lifting of acreage control restrictions, with average yields a crop of 273,000,000 bushels would be produced. On the other hand, if conditions are again unfavorable for the spring wheat crop and expansion in acreage is curtailed, abandonment relatively heavy, and yields below average, a 200,000,000-bushel crop might result. Unfavorable conditions at planting time will tend to curtail expansion, and delayed planting will increase the danger from rust damage.

If the winter crop turns out to be in the neighborhood of 530,000,000 bushels and if the size of the spring wheat crop falls within the 200,000,000 to 275,000,000 bushel range, total production may be between 725,000,000 and 800,000,000 bushels. A crop of that size would provide a surplus of 100,000,000 bushels or more, domestic utilization being in the neighborhood of 625,000,000 bushels.

Prices

The United States average farm price of wheat as of December 15 was 90.1 cents per bushel compared with 88.7 cents in November and 90.6 cents in December, 1934. On December 13 prices in all world markets rose sharply following the sharp rise at Buenos Aires where the January future advanced 17 cents. December and May futures at Liverpool rose about 6 cents and at Chicago the 5-cent limit. In both of these markets the December future continued to average higher, but May futures in Chicago, reflecting lower prices in Winnipeg, declined and did not fully recover until the last of December. Prices in cash markets, generally speaking, also rose until early January. Hard Winter at Kansas City and Dark Northern Spring at Minneapolis, however, declined during the week ended January 11. The average price for the week ended January 11 of No. 2 Hard Winter at Kansas City at 115 and No. 1 Dark Northern Spring at Minneapolis at 130 were each 5 cents higher than for the week ended December 14, and the weekly average of No. 2 Hard Amber at Minneapolis and No. 2 Red at St. Louis were 9 and 8 cents higher, respectively, than a month earlier. Western White rose from 83 cents to 90 cents. During the week ended January 18 the domestic wheat markets turned slightly weaker.

Prices of all classes and grades at six markets have recently averaged 1 to 3 cents under a year ago, compared with an average for the week ended December 14 of 14 cents lower than a year earlier. This recent evening up is the result of a combination of advancing prices this year and declining prices a year ago. For the week ended January 11, No. 2 Hard Winter at Kansas City was 12 cents higher than a year earlier, No. 1 Dark Northern Spring at Minneapolis 10 cents higher and No. 2 Red Winter at St. Louis 6 cents higher. No. 2 Hard Amber Durum, however, is 25 cents lower than a year ago. Good quality hard wheat prices are higher this year because the United States is on an import basis for hard wheat and soft wheats are higher because of the increased demand for this type of wheat. Durum wheat, on the other hand, has been materially lower in price because it has not been necessary to import this type this season as was the case a year ago.

Table 2.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, November 1935 - January 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/ 7/	Paris 6/ 8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Nov. 9	111.3	127.3	76.0	73.3	90.2	80.2	217	140	245
16	110.6	125.2	76.6	69.6	87.7	78.0	217	139	246
23	113.7	131.1	79.0	72.0	89.3	75.9	217	139	---
30	112.8	131.2	78.2	73.3	90.8	74.9	---	---	---
Dec. 7	108.9	127.6	75.6	70.3	88.6	74.8	224	137	246
14	110.0	125.4	75.5	79.5	89.7	75.9	224	136	245
21	110.5	128.1	76.8	91.8	95.2				
28	112.8	128.8	76.4	91.6	97.9				
Jan. 4	118.0	134.9	78.3	92.2	96.8				
11	115.1	130.3	78.7	91.6	96.7				

Prices are averages of daily prices for week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.
1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ Home-grown wheat in England and Wales. 6/ Domestic. 7/ Central German wheat, wholesale trade price free Central German station. 8/ Free market prices from January 1, 1935.

Table 3.- Wheat: Closing Saturday prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	104	103	101	102	108	112	88	91	83	97	4/ 58	4/ 93
Low 3/	96	94	92	94	100	104	83	86	75	81	4/ 53	4/ 68
Dec 14	101	99	98	98	106	109	84	89	79	90	5/ 57	6/ 91
21	99	100	96	99	105	108	84	88	77	92	5/ 55	6/ 91
28	100	99	97	99	106	108	84	87	77	92	5/ 56	5/ 92
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
Jan. 4	101	102	98	102	107	111	84	89	76	95	5/ 56	5/ 93
11	99	101	96	100	106	108	84	88	75	95	5/ 56	5/ 93

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ November 1 to date. 4/ February and March futures. 5/ March futures. 6/ February futures.

Table 4.-Wheat: Weighted weekly average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No.2 Hard Amber Durum Minneapolis		No. 2 Red Winter St.Louis		Western White Seattle 1/	
	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935	1934	1935
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	115	108	107	118	120	135	147	122	105	111	86	88
Low 2/	108	96	101	109	113	125	136	108	99	102	82	82
Dec. 14	111	97	106	110	118	125	136	113	104	103	85	83
21	112	102	103	111	116	128	141	116	103	107	82	87
28	114	103	103	113	116	129	145	112	102	108	84	88
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
Jan. 4	108	107	103	118	116	135	143	119	102	111	84	90
11	111	108	103	115	120	130	147	122	105	111	85	90

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ November 1 to date.

Exportable Surpluses and World Trade

Present estimates indicate that the surplus of wheat available for export or carry-over on January 1, 1936 in Canada, Argentina and Australia, together with United Kingdom port stocks and quantities afloat, was about 140,000,000 bushels smaller than it was a year earlier and 196,000,000 bushels smaller than on January 1, 1934 (See Table 5). Any downward revision in production estimates for the Southern Hemisphere countries will reduce the surpluses accordingly.

Wheat stocks remaining in Canada for export or carry-over on January 1 are estimated at about 244,000,000 bushels (based on the preliminary estimate of production), and Canadian grain in bond in the United States at about 35,000,000 bushels. Stocks in excess of domestic requirements in Australia on January 1 were about 91,000,000 bushels. If Australia should ship in the neighborhood of half of this amount to the Orient, it would leave a relatively small amount for Europe. Argentina with a small crop and her unwillingness to be a cheap seller this year is virtually out of the European competition, and the Danubian countries have only about a 15,000,000 bushel surplus remaining. Exports from Soviet Russia July-December totaled 24,000,000 bushels, but these have been declining since a peak in October.

Total shipments of wheat from the principal exporting countries July 1 to January 11 as reported by trade sources amounted to 256,404,000 bushels compared with 276,768,000 bushels during the corresponding period last year. Table 13 shows shipments by countries.

Table 5.-Wheat: Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, January 1, 1933 - 1936

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada:				
In Canada	316	289	270	244
In United States	14	14	28	35
Argentina	156	197	164	70
Australia	155	127	110	91
Total	641	627	572	440
United Kingdom port stocks	8	19	16	11
Stocks afloat to				
United Kingdom	20	11	11	12
Continent	11	5	7	6
Orders	5	5	7	2
Total	44	40	41	31
Total above	685	667	613	471

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i. e., minus domestic requirements for January-July in case of Canada, January-November in the case of Australia, and January-December in case of Argentina.

European Imports in 1935-36 1/

The European deficit of wheat for the 1935-36 year is now estimated by the United States Bureau of Agricultural Economics to be between 356,000,000 and 386,000,000 bushels compared with actual imports of 352,000,000 bushels during the past marketing season. The present total is approximately 16,000,000 less than the earlier estimate which appeared in the October issue of World Wheat Prospects, but it is still above the figure for last year. Estimates by countries are shown in Table 6, which also shows net imports as reported during the current season.

The revisions necessitated by recent developments in foreign trade and export policies, are largely from France, Czechoslovakia, Sweden and Poland. The estimate of French net imports of 11,000,000 bushels was changed into a net export figure of perhaps 4,000,000 bushels as a result of the Government's decision to facilitate exports. This includes wheat from North Africa as imports, although it is far from clear just how much use the trade will make of the complicated export provisions. In the case

1/ Based on a report by Assistant Agricultural Attaché Gordon P. Boals at Berlin.

of Czechoslovakia, it now appears that imports would amount to about 2,000,000 bushels. While Czechoslovakia may sell a little domestic wheat abroad, that country has brought in some of the wheat purchased last year from Yugoslavia, and net imports may be expected to approach the above amount. For Sweden net imports were reduced from 2,000,000 to about 1,000,000 bushels and for Poland exports were increased from 2,000,000 to about 3,000,000 bushels, on the basis of trade to date.

Table 6.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Preliminary forecast 1935-36 (unofficial)	Net imports reported: July 1 to	Net imports reported: 1934-35	Net imports reported: 1935-36
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	7 - 9	Oct. 31	3	3
Belgium	43	40	40 - 44	Oct. 31	17	16
Czechoslovakia	1/	1	1 - 3			
Denmark	12	19	12 - 14	Nov. 30	7	4
Estonia	2/	2/	0 - 0			
Finland	4	4	3 - 5	Oct. 31	1	1
France	18	3/ -17	3/ -3 - 3/-5	Sept. 30	4	1
Germany	3/ -4	11	3 - 5	Nov. 30	6	1
Greece	12	13	10 - 13	Aug. 31	1	3
Irish Free State	19	18	16 - 18	Nov. 30	8	6
Italy	8	10	13 - 15			
Latvia	0	1/	0 - 0	Aug. 31	0	3/ -1
Netherlands	24	19	22 - 24	Nov. 30	8	10
Norway	9	9	7 - 9	Nov. 30	3	3
Poland	3/ -2	3/ -4	3/ -1 -3/ -3	Nov. 30	3/ -2	3/ -4
Portugal	1	1	0 - 1	Aug. 31	2/	2/
Spain	1/	1/	0 - 0	Oct. 31	1/	1/
Sweden	2	3/ -2	0 - 1	Nov. 30	1/	3/ -1
Switzerland	18	18	16 - 18	Nov. 30	7	8
United Kingdom	216	202	210 - 215	Nov. 30	86	85
Total	391	352	356 - 386		149	135

Compiled from official sources.

1/ Net exports of less than 500,000 bushels.

2/ Less than 500,000 bushels.

3/ Net exports.

Area and Condition of Fall-sown Wheat

Estimates of the acreage sown to winter wheat are available for only a few countries. These are shown in Table 7. The winter wheat acreage in these countries last year represented nearly one-fourth of the estimated total winter and spring wheat acreage in the Northern Hemisphere exclusive of Russia and China. The United States is the only country which has reported any increase over 1935.

The acreage sown in Canada is estimated at 514,000 acres compared with 685,000 acres sown for the 1935 harvest. Winter wheat acreage in Canada, however, is only about 2 percent of the total wheat acreage.

A decrease in acreage has been reported in several of the important wheat producing countries of Europe. The acreage in France is officially estimated at 12,536,000 acres compared with 13,007,000 acres in 1935. Some trade reports, however, stated that the decrease from the 1935 acreage is about 10 percent. The official estimate for Czechoslovakia shows a decrease of 2 percent and for Poland 0.2 percent. Each of these countries reported an increase in the acreage sown to rye, France 0.3 percent, Czechoslovakia 0.9 and Poland 0.6 percent. Data as to the extent of fall seedings are not available for other countries but a normal acreage appears to have been seeded in Bulgaria, Hungary and Yugoslavia. The acreage in Rumania may remain slightly below normal and considerably below the exceptionally large acreage sown last year because of the prolonged drought. Adverse fall weather in parts of the Baltic region is thought to have reduced seedings. The German figures are not expected to show any marked shift. Unfavorable weather conditions in parts of Northern Italy appear to have affected seeding operations somewhat and may have modified farmers intentions to plant this fall, but any incompleted plans may be made up in the spring. The winter acreage in the United Kingdom is reported to be 6 percent under last year. Continued rain in France is causing some concern about prospects for the coming year, as it is a rather common trade saying there that "A wet winter means a poor crop". Mild weather prevails in the Danubian countries and any sudden drop in temperature may cause considerable damage.

Much of French North Africa, especially Morocco and Tunisia reported a rather unfavorable crop situation because of dryness. Recent trade reports from Algeria stated that conditions were favorable there.

Crop developments in India are reported fair but rains are needed both this month and in February to insure satisfactory growth.

In Russia weather conditions during the last 10 days of November and first 10 days of December do not appear to have been particularly favorable to winter crops, although unfavorable reports from Soviet sources are lacking. A temperature of 0° Fahrenheit was reported from Ukraine around November 25, when snow cover was lacking there with similar conditions in practically the whole of the southern, western, and central sections of the Union. Even as far north as the Leningrad region no snow cover existed at that time, while freezing temperatures prevailed

both at night and during the day-time. Later in the month the snow cover moved further south covering the whole country, with the exception of southern Ukraine (an important winter wheat region) and the southeastern regions. However, a rise in temperatures caused thawing early in December and the snow cover in the southern half of the Union disappeared. This alternate freezing and thawing, accompanied at times by the return of relatively very warm weather may well have caused some damage, though at this season of the year it is very difficult to determine the effect. Rainfall at the end of November and during the first week of December was abundant in the southern section of the Union and should aid in replenishing the previously reported deficiency in subsoil moisture.

Table 7.-Wheat: Acreage sown to winter wheat, 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States ...	41,879	44,530	47,529
Canada	698	685	514
Total (2)	42,577	45,215	48,043
France	12,770	13,007	12,536
Czechoslovakia ..	2,099	2,246	2,212
Poland	3,774	3,762	3,754
Total (3)	18,643	19,015	18,502
Total five countries	61,220	64,230	66,545

The Wheat Situation in the United Kingdom 2/

The supply of domestic wheat in England and Wales is being marketed very rapidly this year. Certificates of sale lodged with the Wheat Commission by registered growers during the period August 1 to November 15 amounted to 24,000,000 bushels of millable wheat as compared with 23,000,000 bushels in the corresponding period to November 16 last year. Although this is an increase of only 2 percent, this year's sales during the period mentioned represented 44 percent of the Commission's estimate of the total for the year as against 35 percent during the corresponding period last year. The quantity of millable wheat to be sold after November 15 this year, using the present estimate of the total for the year, amounts to 31,000,000 bushels as against 44,000,000 bushels in the remainder of the season last year. This indicates a reduction in domestic wheat of almost 13,000,000 bushels, or about 25 percent for the latter part of the season as compared with last year. It should be borne in mind, however, that last year's figures were at record levels.

2/ Based on a report by Agricultural Attaché C. C. Taylor at London.

All millable wheat, representing over 90 percent of the production, is expected to be sold in order to qualify for the subsidy. About 4,000,000 bushels are being repurchased for seed, and a large amount, perhaps 20,000,000 bushels bought back for feed. Wheat requirements for poultry and hog feed will be large this year. The number of chickens in England and Wales (58,000,000), although slightly less than last year, is almost the highest on record. The number of hogs (4,100,000), to which a considerable quantity of low grade wheat is fed, is greatly increased this year.

The significance of the domestic crop should not be overemphasized. Production in the United Kingdom, 70,000,000 bushels in 1934 and 63,000,000 bushels in 1935, is small compared with requirements for feed and flour, totaling about 260,000,000 bushels. Lighter marketings of domestic wheat during the remaining months of the present season may create a market opening for perhaps between 5,000,000 and 6,000,000 additional bushels of imported wheat and flour, but this is no more important than the possibility of stocks being built up. Domestic supplies represent only about 20 or 25 percent of the total requirements and variations in this fraction are no greater than variations in stocks and total requirements.

Imports of wheat July-October were 61,000,000 bushels this year as against 65,000,000 bushels in 1934, and 70,000,000 bushels in 1933, but subsequent arrivals, according to Broomhall, have brought the total abreast of last year's imports. The July-June total was 190,000,000 bushels last year, and 198,000,000 bushels in 1933-34, besides about 5,000,000 and 6,000,000 barrels of flour, respectively.

Wheat stocks at ports in Great Britain and Ireland, according to Broomhall, are rising, but on December 1 still were far behind last year. They rose from 5,200,000 bushels on November 1 to 7,700,000 bushels on December 1 as compared with 13,500,000 bushels a year ago. Flour stocks showed the same contrast but in less degree. The combined drop in stocks of wheat including flour was about 6,000,000 bushels as compared with a year ago.

Higher Minimum Price of Wheat in Argentina 3/

The minimum price of wheat in Argentina was increased from 5.75 to 10 pesos per quintal, or from approximately 54 cents to 90 cents per bushel, by executive decree, effective December 13, 1935. The original basic price for wheat of 5.75 pesos was established by executive decree of November 28, 1933. During the first year of its operation, the Argentina Government was called upon to purchase some 147,400,000 bushels of wheat, or about 75 percent of the estimated exportable surplus of the 1933-34 crop. The same minimum price was subsequently extended to the crop year 1934-35, but, inasmuch as the world price level continued above the fixed minimum of 5.75 pesos, the Argentine Government was not required to purchase any wheat from the 1934-35 crop.

3/ From "Foreign Crops and Markets", December 23, 1935.

On December 12, 1935, the day before the new minimum price became effective, wheat was selling in Buenos Aires for approximately 74 cents per bushel. On the following day, December 13, 1935, the first day under the new minimum price, the closing price was slightly above the new minimum price. Quotations in Buenos Aires have continued substantially above the minimum.

Under the regulations established on November 28, 1933, the fixed price for wheat of 5.75 pesos applied only to Buenos Aires. The prices at Rosario and Santa Fe were 5.625 and 5.55 pesos, respectively, and at Bahia Blanca the price was fixed at 5.75 pesos "loaded on board vessel". These fixed differentials were intended to cover the difference in the freight, lighterage, and other usual and customary discounts. The price which the farmer received for his wheat was the fixed price at these ports, less freight and other charges covering shipment from the country shipping point.

Under the new decree, the minimum price of 10 pesos per quintal, or 90 cents per bushel, applies not only to Buenos Aires but also to Rosario, Santa Fe, Bahia Blanca, and other ocean and river ports. Since the minimum price is only operative when the world price falls below that fixed by the Government, however, this concession will have no practical effect upon the price of wheat in those markets or upon the price received by the farmer unless the world price of wheat should fall below the Government's minimum. Incidentally it may be noted that the Argentine wheat crop this year is forecast at 144,000,000 bushels, so that if the Government should be called upon to purchase wheat at the minimum price, the volume of its purchases would be considerably smaller than it was during the crop year 1933-34 when the Government, as pointed out above, was required to purchase some 147,400,000 bushels of wheat at the then fixed minimum of 5.75 pesos per quintal.

Wheat and Flour in the Netherlands Trade Agreement 4/

Under the terms of the trade agreement of the United States with the Netherlands and its possessions, which was signed on December 29, 1935 and will become effective February 1, 1936, the United States will secure more favorable treatment in its wheat and wheat flour export trade. The agreement carries a Dutch commitment to buy annually from the United States a quantity of wheat or flour amounting to not less than 5 percent of the annual total imports of milling wheat, and of the annual total Dutch consumption of wheat flour, provided prices are in line with wheat and flour of comparable grade and quality offered by other countries. There are no import quotas on wheat and flour, but regulations governing the Dutch milling and baking industry have favored a heavily expanded domestic wheat production program, thereby narrowing the opportunities for imported supplies.

The United States stands to be benefited by this commitment through a material expansion of the present small imports of American wheat and flour into the Netherlands. On wheat, it is estimated that, based on the small total imports of 1934, (see Table 8), the maximum imports under the agreement would be about 800,000 bushels annually. If the present high level of domestic production in the Netherlands should be modified to the extent of requiring wheat imports totaling about 20,000,000 bushels, as seems likely, then the wheat commitment might account for about 1,000,000 bushels annually.

4/ From "Foreign Crops and Markets", January 20, 1936.

Table 8.- Netherlands: Imports of wheat, by countries, 1929 and 1931 to 1935

Country	1929	1931	1932	1933	1934 1/	Jan.-Nov. 1/ 1934	Jan.-Nov. 1/ 1935
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Germany	582	1,912	2,758	3,020	623	619	360
Belgium-Luxemburg	393	737	855	350	580	443	455
United Kingdom	48	0	0	0	72	72	2/
France	2/	9	0	455	7	2/	2/
Rumania	1,539	1,796	929	1,401	2,471	2,476	2/
U.S.S.R.	2/	11,591	3,775	2,840	663	663	779
Poland	2/	122	108	37	2/	2/	2/
United States	4,732	3,978	2,721	1,621	1,285	1,136	1,288
Canada	3,748	2,940	7,164	8,511	3,246	2,902	3,367
Argentina	12,622	2,954	7,082	7,716	8,875	7,794	11,007
Australia	308	2,171	2,274	994	2/	2/	2/
Others	82	229	209	103	330	289	1,271
Total imports	24,054	28,439	27,875	27,048	18,152	16,394	18,527
Total exports	326	1,122	4/ 867	5/ 132	6/2,169	2,169	1,354
Net imports	23,728	27,317	27,008	26,916	15,983	14,225	17,173

Foreign Agricultural Service. Compiled from Nederland Jaarstatistiek van den In- Uit- en Doorvoer, 1929-1933, and Nederland Maandstatistiek van den In- Uit- en Doorvoer.

1/ Preliminary. 2/ If any, included in "Others". 3/ Less than 500 bushels. 4/ Includes 89,000 bushels reexported. 5/ Includes 60,000 bushels reexported. 6/ Includes 1,322,000 bushels reexported.

The possible quantity named is considerably smaller than the volume recorded in the Netherlands import statistics as coming from the United States in 1934 and 1933. It should be remembered, however, that European import figures applying to the United States always include a considerable amount of Canadian wheat in transit through the United States. It should be noted also that in the last 2 years Canadian wheat has represented a much larger part than usual of the total wheat leaving American ports. It would seem that a more accurage measure of the value of the wheat commitment would be a comparison of the possible exports with the 37,000 bushels recorded as exported from the United States to the Netherlands in 1934 and the 80,000 bushels shipped in 1933. The 1932 exports to the Netherlands were placed at 4,260,000 bushels.

Table 9.- Netherlands: Imports of wheat flour, by countries, 1929 and 1931 to 1935

Country	1929	1931	1932	1933	1934 1/	Jan.-Nov. 1/ 1934	Jan.-Nov. 1/ 1935
	Barrels	Barrels	Barrels	Barrels	Barrels	Barrels	Barrels
Germany	32,016	10,764	6,464	56,871	61,335	61,088	7,435
Belgium-Luxemburg ..	206,791	70,168	15,559	4,830	2,553	2,553	5,410
United Kingdom	32,289	30,102	11,533	13,890	15,916	15,308	24,093
France	55,830	345,896	141,145	165,778	185,985	152,747	179,056
Rumania	2/	2/	2/	2/	2/	2/	2/
U.S.S.R.	2/	225	2/	2/	2/	2/	2/
Poland	169	1,444	2/	2/	2/	2/	2/
United States	975,147	730,233	138,858	129,075	81,019	75,069	95,090
Canada	87,897	70,497	16,887	56,511	32,653	28,457	36,646
Argentina ...	7,338	2,791	2,934	2/	2/	2/	2/
Australia ...	4,944	19,981	14,824	22,055	2/	2/	10,776
Others	5,305	6,629	3,376	56,602	58,152	57,512	73,764
Total imports	1,407,726	1,288,730	351,680	505,612	437,613	392,734	432,270
Total exports	105,214	52,288	24,211	7,176	2,261	5,275	7,266
Net imports .	1,302,512	1,236,442	327,469	498,436	435,352	387,459	425,004

Foreign Agricultural Service. Compiled from Nederland Jaarstatistiek van den In- Uit- en Doorvoer, 1929-1933, and Nederland Maandstatistiek van den In- Uit- en Doorvoer. One kilo flour = .011247959 barrel.
1/ Preliminary. 2/ If any, included in "Others".

On flour, the latest available estimate of total Netherlands consumption is 7,076,000 barrels for 1932, including both foreign and domestic flour. Five percent of that figure would amount to 354,000 barrels. Estimates for 1934 indicate that flour imported from the United States (see table 9) represented only 1 percent of total consumption. Since about 80,000 barrels were imported in 1934, total consumption works out at about 8,000,000 barrels.

Such a consumption figure would raise the United States imports into the Netherlands to about 400,000 barrels, the largest since 1931, and about eight times larger than the 1932-1934 average imports. The Netherlands import figures for this item correspond closely with the United States export record, which shows that 81,000 barrels of flour were exported to the Netherlands in 1934, 112,000 in 1933, and 145,000 in 1932.

The Netherlands is traditionally a low-tariff country. Under the emergency conditions prevailing during recent years, however, there has developed a complicated system of so-called "crisis" control and regulation of imports. This new system does not alter the old tariff structure as such, but utilizes import monopoly fees, quotas, and central purchasing agencies to regulate the movement of agricultural imports. As a result, the agreement does not contain any reductions in duties as such. Concessions, however, have been secured in the shape of lower monopoly fees, enlarged quotas, and commitments to buy American products under specified conditions. In practically all cases, existing duties have been bound.

The Netherlands charges on imports include a so-called "compensatory" duty of 1 percent and a "statistical" duty of 0.1 percent. These charges are not affected by the terms of the agreement. They apply to all imported articles and represent, in the first case, an additional source of general revenue and, in the second case, a source of special revenue for meeting the costs of customs administration.

The Chinese Wheat and Flour Trade 5/

During recent years China has been an important wheat and flour importing country. Up to 1923 a larger amount of wheat was exported than was imported, but during the past 12 years wheat exports exceeded imports only in 1928. The exported wheat was principally from Manchuria to Soviet Russia. Since Manchuria has been cut off, China is not expected to have a surplus of wheat for export. From 1922 to 1923 wheat flour imports ranged from 2.150,000 to 8,000,000 barrels, but since then the imports have become much smaller, amounting to a total of 670,000 barrels in 1934. From 1923 to 1930, wheat imports ranged from 1,150,000 to 12,000,000 bushels per year, showing no definite trend. Every year since 1923 the United States has furnished part of China's wheat imports, and during the years 1931, 1932, and 1934 they accounted for 16, 15, and 65 percent respectively of the total imports. 6/

Table 10.- China: Wheat and flour, imports from the United States 1931-1934

Year	Wheat	Flour
	Bushels	Barrels
1931	9,093,075	942,033
1932	6,652,290	2,664,040
1933	1,927	682,246
1934	11,339,763	399,723

Shanghai office, Foreign Agricultural Service.

5/ From "Foreign Crops and Markets", January 13, 1936.
6/ Since July 1932 imports of wheat into Manchuria have not been included.

It is probable that the large use of imported wheat in the years 1931, 1932, and 1934 was due to (1) a decrease in local production as a result of the internal political disturbances which prevailed in the several years immediately preceding; (2) the disastrous floods of 1931; and (3) the great decline in the prices of foreign wheat which set in with the world depression. The situation is changed now. The wheat-producing provinces nearest Shanghai have now had several years of political tranquillity, world wheat prices show a tendency to rise, and the import duty, affording some protection against the competition of foreign wheat, has probably encouraged the farmers to increase their wheat acreage.

The trade figures show that, in comparison with 1932, China's 1933 imports of American flour declined by 74 percent, and wheat imports dropped to a vanishing point and the United States has ceased to be a factor in China's commercial wheat trade. The sharp increase in the imports of American wheat in 1934 was not due to a normal demand for our wheat, but was the result of the Sino-American wheat loan and governmental assistance to exports of wheat from the Pacific Northwest. In comparison with the previous year, China's imports of American flour declined further by 41.5 percent.

The Shanghai Wheat and Flour Market 7/

A cargo of Australian wheat which was purchased in December and arrived January 16 constitutes the only foreign wheat bought since July. With the disparity between foreign wheat and local flour prices, which is placed at 10 percent, no bookings of foreign wheat are expected.

The nominal price of Australian flour in bulk from New South Wales, c.i.f., Shanghai duty included, for February delivery was 98 cents per bushel, and domestic wheat for February delivery 83 cents. Domestic flour for January delivery was 93 cents per bag of 49 pounds, and February 94 cents. Australian flour, c.i.f., Hong Kong, was $3.60 per barrel of 196 pounds.

The European Wheat Market Situation during December 8/

Early in December wheat prices in European wheat markets were somewhat weak and import business was confined within moderate limits. Later, when the announcement of higher buying prices by the Argentine grain organization caused attention to be drawn to the reduced surplus of that country, European import buying was greatly stimulated and prices of overseas wheat in import markets, notably Plates, rose considerably. The price of Manitobas, held in check by the Canadian sales policy, however, did not rise materially, and their competitive position was improved accordingly and larger takings by the United Kingdom and western Europe resulted.

Prices of domestic wheat in Austria, Poland and Sweden declined slightly as a result of larger marketings or technical circumstances. Italian prices, for which the Government has recently fixed maximum limits, also weakened slightly.

In France, in spite of the improved statistical position of supplies, the market continued to decline. Such wheat as moved was almost entirely of the "taken-in-charge" 9/ stocks of the Cooperatives, as holders of free wheat were not disposed to sell under existing conditions.

7/ From radiograms from the Shanghai office of the Foreign Agricultural Service.
8/ From a report from Assistant Agricultural Attaché Gordon P. Boals at Berlin.
9/ See World Wheat Prospects of December 1935, pages 12-13.

Table 11.- United States: Exports of wheat and wheat including flour, 1934-35 and 1935-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July	826	66	286	248	2,168	1,231
Aug.	1,776	8	440	270	3,845	1,278
Sept.	109	14	443	279	2,130	1,324
Oct.	57	14	397	314	1,923	1,489
Nov.	152	30	380	335	1,936	1,602
Week ended						
Dec. 7	1	24	79	15	372	94
14	---	2	50	41	235	195
21	19	---	19	8	108	38
28	10	---	31	15	156	70
Jan. 4	---	2	18	32	85	152
11	---	---	29	14	136	66

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 12.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1 - Nov 30	80,292	45,992	43,040	38,328	568	6,584	83,448	80,376
Week ended								
Dec. 7	3,596	1,736	1,240	1,584	0	224	2,696	5,136
14	1,552	1,368	1,908	1,872	0	288	1,768	3,672
21	2,072	924	2,540	1,680	0	312	1,968	5,088
28	1,524	656	1,944	768	40	0	2,208	3,264
Jan. 4	2,944	803	2,200	1,620	0	0	1,392	1,549
11	4,252	1,076	2,176	2,226	8	104	2,168	3,722
Total, July 1 - Jan. 11	96,232	52,555	55,048	48,078	616	7,512	95,648	102,807

Compiled from Broomhall's Corn Trade News.

Table 13.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	8,062	12,062	6,923	Nov. 30
Canada	267,342	198,555	169,630	122,432	114,532	132,539	Dec. 31
Argentina	120,272	144,854	187,000	54,278	91,151	50,454	Dec. 31
Australia	148,552	86,509	108,010	24,334	23,266	20,183	Sept 30
Russia	19,676	33,787	4,286	14,278	2,692	18,207	Oct. 31
Hungary	7,010	29,615	12,499	6,782	1,971	3,213	Sept 30
Yugoslavia	1,162	839	4,401	202	1,166	66	Sept 30
Rumania	179	248	3,432	84	0	3,715	Oct. 31
Bulgaria	3,144	4,236	375	1,721	7	577	Oct. 31
British India	2,169	2,084	2,318	619	740	656	Sept 30
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-Jan. 11	
	1933-34	1934-35	Dec. 28	Jan. 4	Jan. 11	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	220,616	168,712	3,264	1,549	3,722	95,648	102,807
Canada, 4 markets 2/	194,213	176,059	1,069	836	1,020	132,695	169,836
United States	37,002	21,532	70	152	66	13,794	7,533
Argentina	140,128	186,228	656	803	1,076	96,232	52,555
Australia	90,736	111,628	768	1,620	2,226	55,048	48,078
Russia	26,656	1,656	488	560	1,104	1,656	26,000
Danube & Bulgaria 3/	15,872	4,104	0	0	104	616	7,512
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				249,512	237,208
Total European shipments 1/	401,560	387,752	4,344			6/ 199,360	6/ 171,080
Total ex-European shipments 1/	123,352	142,424	1,744			6/ 59,400	6/ 70,632

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To December 28.

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WORLD WHEAT PROSPECTS

Summary

The crop outturn of wheat in Europe in 1936 will probably be a more important factor in the world wheat situation than it has been for many years. Burdensome stocks, which for the past several seasons have tempered the effect of new crop news, have now been generally reduced so that any reduction in production will make for definitely larger imports. Although it is admittedly too early to forecast production accurately, present reports indicate a decrease, European winter wheat acreage being indicated at about 4 percent below last year and condition the poorest in years. Large wheat crops in European countries in recent years, while due in part to increased acreage, have been largely the result of unusually high yields per acre.

The fixing of the high minimum price of wheat in Argentina has resulted in European buyers shifting to Canadian and Australian wheats. The latter country appears to be especially benefiting from Argentina's withdrawal; it is estimated that one-fourth of its surplus has already been purchased by Europe. Exports from Canada thus far have been considerably below expectations. The inter-country wheat trade of Europe during the past month remained small.

It now seems likely that wheat stocks in the United States at the end of the year will be reduced to about normal proportions but, if winter killing is not unusually heavy and if growing conditions for both winter and spring wheat are about average, there is likely to be an export surplus which would result in a downward adjustment of prices to facilitate exports.

The acreage sown to wheat for the 1936 harvest in 15 countries not including Soviet Russia and India, for which reports have been received is 104,846,000 acres, an increase of 0.5 percent over the 104,346,000 acres sown for the 1935 harvest and 4.1 percent above the 100,758,000 acres sown for the 1934 harvest. Practically all of this increase is in the United States. The total acreage in 13 European countries is 56,803,000 acres, compared with 59,131,000 acres in the same countries last year. Estimates are not available for the North African countries but dry weather at seeding time is reported to have reduced the area sown. The estimate for Soviet Russia is placed at 34,721,000 acres which is about 9 percent above the 31,836,000 acres sown a year ago. The first estimate of the area in India is 32,763,000 acres, which is 1.2 percent below last year.

Spring wheat seedings in 1936 may show some increase over recent years due to the poor winter wheat prospects, but they are not expected to offset the decline in the fall planted acreage.

Winter Wheat Acreage and Condition

The acreage sown to winter wheat for the 1936 harvest in 17 countries is shown in table 1.

The prolonged cold wave in the United States was finally broken about February 22 by a marked change to warmer weather, causing the snow and ice to melt leaving the ground bare in much of the wheat belt. During the cold period the upper Mississippi Valley, Lake Regions, and the Great Plains southward to northern Missouri were well protected. In the Ohio Valley, condition generally appears only about fair, with more or less damage from the prolonged cold weather. In Missouri much wheat in the southwestern part is believed dead but elsewhere condition in the State is believed good. In Iowa the ground is still well covered with snow, except in some northern sections. In Kansas the snow cover has largely disappeared with moisture good in the eastern third, barely sufficient in the middle third, and deficient in the West; in the latter, the soil is blowing and considerable damage probable. Wheat is showing in the eastern third of Kansas, but it is reported frozen. Wheat needs moisture badly in western Oklahoma and southeastern Colorado, and while rains would be beneficial in both Texas and Oklahoma, condition is still fair to good. Montana has been benefited by considerable snow and recently some rain. In the Pacific Northwest there has been good snow protection in parts, but the general condition is uncertain.

Table 1.-Winter wheat: Acreage sown in specified countries, crop years 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States	41,879	44,530	47,529
Canada	698	685	514
Total (2)	42,577	45,215	48,043
Bulgaria	3,024	2,804	2,891
Czechoslovakia	2,099	2,246	2,212
England and Wales	1,759	1,772	1,684
France	12,770	13,007	12,536
Germany	4,917	4,609	4,614
Greece	1,957	2,020	2,011
Hungary	3,850	1/ 3,944	1/ 3,954
Latvia	210	211	172
Lithuania	403	411	346
Poland	3,774	3,762	3,754
Rumania	6,824	1/ 7,739	1/ 6,672
Spain	11,386	11,252	10,768
Yugoslavia	5,208	5,354	1/ 5,189
Total (13)	58,181	59,131	56,803
Total (15)	100,758	104,346	104,846
Russia	26,659	31,836	34,721
India	34,286	33,168	32,763

1/ Estimates of the Belgrade office of the Foreign Agricultural Service.

Crop conditions in several of the important wheat producing countries of Europe are less favorable than a year ago. Serious damage from rains has been reported in France. Crop conditions are also reported poor in Spain, especially in the eastern part. Reports from Italy are conflicting but the outlook is considered unsatisfactory. Crop conditions in the Danubian countries were satisfactory at the end of January but the mild weather has caused abnormal growth and it is not known to what extent, if any, recent severe cold weather has damaged the plants.

The January crop report of the International Institute of Agriculture reported crop conditions satisfactory in the north of Tunisia and in the Alger and Constantine departments of Algeria, but in the other parts of these two countries and in the greater part of Morocco, conditions are not satisfactory and in some places even poor. The Institute reported crop conditions in India in January as being more favorable than last year. Recent trade reports, while still considering conditions in India as mostly favorable, mention the need of further rains.

The 1936 program in Soviet Russia was announced in January and calls for a slightly larger grain acreage, a significantly larger total crop and considerably larger yields per acre. Weather at planting time last year in many areas favored spring seedings and as a result the 1935 wheat crop was larger than that of the previous year. The importance of the weather factor should not be overlooked in the 1936 plans.

A chart of the Soviet Union showing the distribution of the snow cover as of January 11 indicated that snow on that date was lacking in the southern regions, except in the northeastern section of Ukraine and the northern peak of former North Caucasus. At that time there was also only a thin cover of snow in most parts of the southeastern regions. Following severe cold in early January, thawing caused anxiety, and damage was feared in the South. In mid-February temperatures dropped to low levels and all the winter belt was reported to have received heavy snows.

Winter Rye Acreage

The acreage sown to rye in 12 countries is reported at 40,746,000 acres, an increase of 0.3 percent from the 40,616,000 acres in 1935. The European acreage in 10 countries, not including Russia, totals 33,874,000 acres compared with 33,805,000 acres last year. The Russian estimate is 57,426,000 acres compared with 58,598,000 acres last year. Germany, Poland, and Czechoslovakia made small increases in the area sown.

Table 2.-Winter rye: Acreage sown in specified countries, crop years 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States	5,037	6,159	6,336
Canada	680	652	536
Total (2)	5,717	6,811	6,872
Bulgaria	451	419	445
Czechoslovakia	2,415	2,461	2,485
France	1,659	1,607	1,611
Germany	10,971	10,670	10,702
Greece	182	185	203
Latvia	654	658	592
Lithuania	1,216	1,227	1,177
Poland	13,963	14,238	14,323
Rumania	886	939	865
Spain	1,426	1,401	1,471
Total (10)	33,823	33,805	33,874
Total (12)	39,540	40,616	40,746
Russia	58,472	58,598	57,426

Surpluses and World Trade

The February 1 surplus of wheat available for export or carry-over by the three principal exporting countries, together with United Kingdom port stocks and quantities afloat, is estimated at 447,000,000 bushels compared with 577,000,000 a year earlier, 640,000,000 in 1934, and 641,000,000 in 1933. Surplus stocks remaining in Canada for export or carry-over on February 1 are estimated at 238,000,000 bushels, and Canadian grain in bond in the United States at 29,000,000 bushels. The surplus in Australia on February 1 was about 83,000,000 bushels and in Argentina about 62,000,000 bushels.

Table 3.-Wheat: Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, February 1, 1933-1936

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada:				
In Canada	300	279	263	238
In United States	11	10	25	29
Argentina	140	182	146	62
Australia	134	117	97	83
Total	585	588	531	412
United Kingdom port stocks	7	15	13	9
Stocks afloat to				
United Kingdom	24	17	12	17
Continent	14	9	8	7
Orders	11	11	13	2
Total	56	52	46	35
Total above	641	640	577	447

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for February-July in case of Canada, February-November in the case of Australia, and February-December in case of Argentina.

There was a general upward trend in world shipments from July to October during which time shipments from Canada and Australia increased, while those from Argentina steadily decreased as it became more apparent that the Argentine crop would be small. World shipments then declined until early January when they recovered sharply following the favorable adjustment of prices of Canadian wheat relative to Liverpool. Recently, total world shipments have been averaging around 10,000,000 bushels weekly compared with between 10,000,000 and 11,000,000 bushels during the peak movement in October.

In early July, Canadian shipments were about 2,000,000 bushels a week and by early November they were about 4,000,000 bushels. At the turn of the year they declined again to about 2,000,000 bushels. Shipments are currently on the upper side of 4,000,000 bushels. If Canada's possible share of the European trade for the February-June period is taken as upward of 100,000,000 bushels, considering the probable deficit in European countries, Canada's shipments would need to average 5,000,000 bushels or more a week. With shipments of this size, the February surplus of 267,000,000 (Canadian grain in Canada plus Canadian grain in the United States) could be reduced to 160,000,000 bushels or less, which would represent a reduction of around 65,000,000 bushels in the current year.

Shipments from Australia increased from about 1,000,000 bushels a week in August to about 2,500,000 bushels in November and then declined to about 1,500,000 again in December. Currently they are around 3,000,000 bushels. Most of Australia's shipments have been going to European markets, causing

real competition for Canadian wheat. Ordinarily, Australia ships substantial quantities to Asiatic countries, but this year such trade has been extremely dull. While Australia's export supplies are small this season, only 83,000,000 bushels remaining on February 1, supplies in that country are still sufficiently large so as to continue to be an important market factor for some time.

Argentina's shipments declined from just under 3,000,000 bushels weekly in August to less than 1,000,000 bushels in January. At present Argentina is out of the European market, and will remain so unless the Government decides to subsidize exports, or unless prices in world markets rise sufficiently to offset the minimum established price.

Shipments from Russia starting in August reached a peak of nearly 3,000,000 bushels for one week in October, since which time they have been steadily declining. Currently they are running about 250,000 bushels a week. Many observers believe that Russian shipments will remain at relatively low levels from now until spring, when the crop outlook for winter grain can be somewhat better appraised.

The wheat surplus available for export or carry-over in the Danube Basin countries on February 1 is estimated by the Belgrade office of the Foreign Agricultural Service at 15,500,000 bushels compared with 19,800,000 bushels for the corresponding date a year earlier. There is practically no movement at present. It is the opinion of the Belgrade office that if conditions do not change during the remainder of the season, it is likely that an important quantity of the 1935 wheat will be carried over on July 1, 1936, especially in Yugoslavia and Rumania. Hungary will probably export most of its surplus, however, which is estimated at about 6,000,000 bushels. All other countries combined are shipping about 1,000,000 a week.

Tables 10 and 12 show current shipments from principal exporting countries, together with those for recent years.

United States Wheat Supplies as of January 1 and July 1

Wheat stocks in the United States on January 1, 1936 are estimated at 431,700,000 bushels compared with 439,300,000 bushels in 1935 and 559,200,000 bushels in 1934. Table 4 shows figures of estimated stocks in the different positions as of January 1 for the years 1932 to 1936. The present total for the current year is 3,900,000 bushels more than the preliminary figure based on incomplete data which was published in the January issue of World Wheat Prospects.

With stocks at 432,000,000 bushels on January 1, 1936, disappearance from July 1 to December 31 is indicated at about 344,000,000 bushels. Stocks on July 1 were 152,000,000 bushels, 1935 production 603,000,000 bushels and net imports 21,000,000 bushels for the July-December period, making total supplies 776,000,000 bushels.

Table 4.-Wheat stocks in the United States on January 1, 1932-1936

Item	1932	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
On farms	322.5	273.0	196.5	137.5	159.4
"Commercial"	226.9	168.5	132.5	90.9	1/ 76.7
Interior mills and elevators 2/	88.0	124.0	100.0	92.1	76.9
Merchant mills:					
For own account in mills and mill elevators attached to mills	97.0	112.6	105.8	96.3	99.4
For others	18.7	10.2	9.3	10.1	5.8
In transit ("in transit to and bought-to-arrive" by merchant mills)	11.5	13.1	15.1	12.4	13.5
Total stocks	764.6	700.8	559.2	439.3	431.7

Bureau of Agricultural Economics, Division of Statistical and Historical Research.

1/ Stocks of January 3, 1936 used in place of those of December 27, 1935 as published in the January issue of "World Wheat Prospects".

2/ Interior mill and elevator figures for 1932-1934 from Nat Murray of Clement, Curtis and Company and for 1935-36 from the United States Crop Reporting Board.

Total disappearance for the entire season is more uncertain than usual this year because of the difficulty involved in arriving at an estimate of the amount of the lightweight wheat which will be milled or fed in the January-June period. It now appears that total imports including both milling wheat and wheat "unfit for human consumption" might be about 35,000,000 bushels. If this turns out to be the case and the feeding of light wheat is not especially heavy, total disappearance for the year might possibly be 655,000,000 bushels and July 1, 1936 stocks about 135,000,000 bushels. The estimate of disappearance includes about 500,000,000 bushels for milling, about 85,000,000 bushels for seed, and 70,000,000 bushels for feed. The estimate for milling is somewhat larger than usual because some allowance has been made for the fact that hard red spring wheat is light in test weight this year, more light wheat being required to produce the same quantity of flour than if heavier wheats are used.

Assuming the above figures for 1935-36 imports and the July 1, 1936 carry-over, it seems reasonable to expect that the supply and utilization by classes might turn out to be approximately as shown in table 5.

Table 5.-Wheat: Estimated supply and utilization by classes, 1935-36

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Carry-over, July 1, 1935	71	32	28	5	16	152
Production	198	184	110	28	83	603
Total supplies, 1935-36	269	216	138	33	99	755
Prospective utilization	225	180	139	28	83	655
Prospective carry-over, July 1, 1936	44	36	33	6	16	135
Deficit (prospective imports)	0	0	34	1	0	35

Bureau of Agricultural Economics, Division of Statistical and Historical Research.

Estimates of utilization by classes were based largely on disappearance data 1/ of the last 6 years, taking into consideration prospective milling qualities by classes, location of supplies, likelihood of feeding different kinds of wheat, etc.

Prices

The United States average farm price of wheat in mid-January was 93.0 cents per bushel compared with 90.1 cents a month earlier and 89.3 cents in January 1935. During the period from the middle of December to the middle of January there was a corresponding rise in prices at principal markets. During the following month prices at most markets declined. No. 2 Hard Winter at Kansas City declined from $1.15 for the week ended January 11 to $1.07 for the week ended February 15. No. 2 Red Winter at St Louis declined from $1.11 to $1.08 and western white at Seattle from 90 cents to 86 cents in the same period. No. 1 Dark Northern Spring wheat at Minneapolis, however, rose from $1.30 to $1.35 with No. 2 Hard Amber Durum also at Minneapolis showing no change. Prices of May futures at Chicago and Kansas City sagged relative to Liverpool in mid-January as the result of a dull domestic demand, whereas in mid-February the May futures showed independent strength.

Lower prices in Kansas City and similar markets indicate adjustment to new crop prospects, whereas Minneapolis prices may be expected to remain at levels relative to Winnipeg consistent with hard spring wheat imports.

If winter wheat abandonment is not unusually heavy and yields light, and if the spring wheat crop is about average, there is likely to be a surplus in 1936, and domestic prices would be expected to adjust so as to provide a shipping differential between the United States and Europe. The May future at Chicago, has been running about 8 cents over the corresponding month

1/ Disappearance figures for 1930-31 to 1934-35, together with the 1929-30 to 1933-34 average, were given in World Wheat Prospects for July, page 13. Revised figures for 1934-35 are to be found in the August issue, table 11.

at Liverpool, whereas the July future has been around 3 and 4 cents under Liverpool. With hard winter wheat commanding substantial premiums this season, cash prices are expected to make greater adjustments than futures. No. 2 Hard Winter at Kansas City and Chicago has been recently averaging 12 and 14 cents respectively lower than the corresponding May futures.

Table 6.-**Wheat:**-Closing Saturday prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	100	103	98	102	108	112	85	89	77	96	4/56	4/94
Low 3/	94	97	91	94	101	107	82	83	72	91	4/54	4/91
Jan. 11	99	101	96	100	106	108	84	88	75	95	5/56	5/93
18	99	101	95	100	105	110	84	89	75	96	5/55	5/92
25	97	102	93	100	104	110	83	88	75	94	5/55	5/92
Feb. 1	96	100	92	99	103	109	83	87	73	94	5/54	5/92
8	98	99	94	96	104	109	83	86	73	91	55	93
15	97	98	94	96	104	108	83	85	72	91	55	92

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ January 1 to date. 4/ March and May futures. 5/ March futures.

Table 7.-**Wheat:**-Weighted weekly average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	114	108	103	118	120	135	147	123	105	111	86	90
Low 2/	108	105	98	107	114	127	134	115	96	106	84	87
Jan. 11	111	108	103	115	120	130	147	122	105	111	85	90
18	111	105	100	112	119	132	142	120	100	107	84	88
25	114	106	100	111	118	133	145	115	100	108	86	88
Feb. 1	113	107	99	111	117	127	139	120	96	106	85	88
8	114	108	98	110	114	134	138	123	98	107	85	87
15	114	106	100	107	115	135	134	122	98	108	86	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ January 1 to date.

Table 8.-Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, December 1935 - February 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/ 7/	Paris 6/ 8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Dec. 7	108.9	127.6	75.6	70.3	88.6	74.8	224	137	246
14	110.0	125.4	75.5	79.5	89.7	75.9	224	136	245
21	110.5	128.1	76.8	91.8	95.2	74.8	---	140	---
28	112.8	128.8	76.4	91.6	97.9	77.0	---	140	---
Jan. 4	118.0	134.9	78.3	92.2	96.8	79.2	---	---	---
11	115.1	130.3	78.7	91.6	96.7	81.7	221	140	246
18	112.3	132.2	78.5	91.5	98.7	84.2	222	146	249
25	110.5	133.0	78.9	90.8	98.3	86.5	222	158	
Feb. 1	111.1	126.5	78.2	90.9	95.8	85.9		156	
8	109.7	134.1	76.9	91.8	93.2				
15	107.0	135.4	75.2	91.1	89.8				

Prices are averages of daily prices for week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.
1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ Home-grown wheat in England and Wales. 6/ Domestic. 7/ Central German wheat, wholesale trade price free Central German station. 8/ Free market prices from January 1, 1935.

World Trade in Durum Wheat

World trade in durum wheat is largely restricted to the movement between France and the North African countries and to Italian imports, although in 1934-35 Canada exported about 6,000,000 bushels of durum to the United States. Table 14 shows durum wheat production in the Western Mediterranean Basin in 1934 and 1935 compared with the 1930-1934 average, and tables 15 and 16 show imports of durum wheat into Italy and France by countries of origin annually, beginning with 1928-29.

Durum wheat ground in the United States after averaging close to 13,000,000 bushels for the 3 years dropped to close to 12,000,000 bushels in 1934-35, reflecting the short supplies of this type of wheat caused by the drought. During the July-December period mill grindings of durum were again large, being 8,000,000 bushels. During the past 3 years there have been practically no durum exports from the United States. Production and distribution of durum wheat products are shown in table 17 semi-annually, beginning with the 1929-30 season.

Wheat in the Swiss Trade Agreement

An annual quota of 4,336,000 bushels of wheat was granted to the United States in the United States - Swiss Trade Agreement, which went into effect February 15, 1936. No quota was granted to the United States in 1934. The new allotment is about equal to wheat shipments to Switzerland in 1931, when the United States supplied over one-fifth of the Swiss requirements.

New Public Elevator System Authorized in Argentina 2/

A new public elevator system in Argentina has recently been authorized by Presidential decree and calls for the construction of 14 new public terminal elevators in the port cities at a total cost of some $17,500,000 and in addition the construction of 180 new public country elevators and the remodeling of some of the existing country grain storage facilities at a cost of about $12,800,000. The 14 public elevators will have a total capacity of 650,000 metric tons which is equivalent to about 24,000,000 bushels of wheat. The project will be financed from funds derived from its exchange profits. It is expected that the actual construction work on the 14 port elevators will be started this fall but that the building and remodeling of the country elevators will be delayed until later.

The need for new elevators in terminal ports has long been recognized. A system of public country elevators as a part of an efficient grain marketing program, however, raises many problems which need further study. The average distance from producing areas to ports in Argentina is only about 150 miles and in important problem deals with the question of improving highways and increasing the use of trucks for transporting grain to the ports.

Argentina at the present time has storage facilities at railway stations to take care of only about 7,500,000 metric tons of grains compared with an average production of 18,000,000 tons. Grain is hauled in carts or trucks directly from the combines or threshing machines to the railway stations where it is stored, and in years of heavy marketing it has been necessary to pile the grain, which is customarily sacked, in the open along the tracks.

The new system proposes to bring about a change from bag handling to bulk handling which has many advantages among which are: Make possible direct savings to producers; make possible financing through the use of negotiable warehouse receipts; be an incentive to the production of better quality by reason of an application of new grain standards; make possible the payment of premiums on the basis of quality; and broaden competition among exporters by affording small exporters an opportunity to operate by using the public elevator system.

2/ Based on a report submitted by the Buenos Aires office of the United States Foreign Agricultural Service.

New Government and other Organization Measures 3/

There have been many measures taken in European countries in recent weeks with respect to the grain trade, but most of them are not of special significance in the world wheat situation.

In Czechoslovakia the grain monopoly is again devoting considerable thought to acreage reduction. The monopoly is considering a possible downward revision in their fixed prices and even placing a ban on spring wheat sowings. It appears from recent acreage figures that there was practically no reduction in sown acreage following the decree that wheat sown in the fall of 1935 must be significantly reduced.

The Swedish Government is reported to be establishing a governmental stock reserve of bread grain, part of which will be an equalization reserve that may be exported or otherwise handled. Of the total of over 5,000,000 bushels of bread grains, mostly wheat, about 3,500,000 bushels would constitute a basic reserve and the balance would be the equalization reserve. In January the Government released 735,000 bushels of wheat for export, which it is believed was from the equalization reserve. The surplus bread grain in the country is reported to be about 9,735,000 bushels.

In Belgium, the domestic milling ratio has been reduced successively from 20 to 15 and 10 percent and is expected soon to be inoperative for the remainder of the season. Domestic supplies are reported practically exhausted. Poland has dropped the obligatory milling extraction ratio for rye and has slightly reduced the export subsidy on flour. Some trade deals involving grain have been negotiated between Germany and Holland, and Poland and Holland. The last of January the Portugal Government sanctioned the exportation of 11,000,000 bushels of wheat.

The European Wheat Market Situation during January 4/

The Liverpool market, while firm at the very beginning of January and again during the middle, was weak during the second and fifth week of the month, as a result of poor demand and pressure principally from Canada and Australia.

European buyers shifted to Canadian and Australian wheat as the result of the high price of Argentine Plates. Australian wheat appears to be especially benefiting from such a shift and the trade estimates that one-fourth of the limited Australian surplus has already been purchased by Europe. If Argentine wheat is moved in any significant volume during the next few weeks, it appears that it will be necessary for the Government to subsidize such shipments.

3/ From reports from foreign offices of the United States Foreign Agricultural Service.

4/ Based on a report from Assistant Agricultural Attache Gordon P. Boals at Berlin.

Inter-country trade in Europe during January was generally of small volume. All French offers were readily taken, mostly by the United Kingdom at prices for which fairly good Manitobas could have been purchased earlier in the season. The French export trade, however, was very limited due in part to the poor condition of the new crop and also to the complicated system of exporting the Government reserve stocks. Sweden released around 735,000 bushels of wheat for export during January, most of which went to Holland. Some wheat exports were made from Poland to Denmark, England and western Europe and a small quantity of German wheat was sent to Holland in a compensation trade deal. Small quantities of wheat and rye also moved from the Baltic States to central and southern European countries. Exports from the Danube Basin were very small during January and in view of the high domestic wheat price levels prevailing in these countries it is possible that part of the export surplus, especially in Rumania and Yugoslavia, will be carried over into the new crop season. Offerings of Russian wheats were of very limited volume.

The wheat business in Europe seems to be reflecting to an increasing extent the importance of either the price factor or some type of compensation trade. High quality for mixing, while still desired when possible, is not considered absolutely essential and in certain countries has given way to the expediency of securing foreign wheat with the minimum of foreign exchange. This situation, however, is not so characteristic of the United Kingdom market. At continental markets it is further noted that much of the Canadian purchases have been of lower grades, especially No. 4 and 5 Manitobas.

Imports into European countries to date are shown in table 9.

Table 9.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Net imports reported July 1 to	1934-35	1935-36
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	Nov. 30	4	3
Belgium	43	40	Nov. 30	20	17
Czechoslovakia	1/	1			
Denmark	12	19	Dec. 31	10	4
Estonia	2/	2/			
Finland	4	4	Nov. 30	2	2
France	18	3/ -17	Nov. 30	2	5
Germany	3/ - 4	11	Nov. 30	6	1
Greece	12	13	Aug. 31	1	3
Irish Free State	19	18	Dec. 31	10	7
Italy	8	10			
Latvia	0	1/	Sept. 30	0	3/- 1
Netherlands	24	19	Dec. 31	10	11
Norway	9	9	Dec. 31	4	5
Poland	3/ - 2	3/ - 4	Nov. 30	3/-2	3/- 4
Portugal	1	1	Sept. 30	2/	2/
Spain	1/	1/	Nov. 30	1/	2/
Sweden	2	3/ - 2	Nov. 30	1/	3/- 1
Switzerland	18	18	Dec. 31	9	10
United Kingdom	216	202	Dec. 31	104	104
Total	391	352		180	166

Compiled from official sources.
1/ Net exports of less than 500,000 bushels.
2/ Less than 500,000 bushels.
3/ Net exports.

Table 10.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	14,037	13,572	8,055	Dec. 31
Canada	267,342	198,555	169,630	131,539	121,469	141,511	Jan. 31
Argentina	120,272	144,854	187,000	69,497	108,980	54,407	Jan. 31
Australia	148,552	86,509	108,010	29,038	33,540	29,328	Oct. 31
Russia	19,676	33,787	4,286	20,262	3,200	22,864	Nov. 30
Hungary	7,010	29,615	12,499	6,782	1,071	3,213	Sept.30
Yugoslavia	1,162	839	4,401	380	2,090	79	Oct. 31
Rumania	179	248	3,432	84	0	8,894	Oct. 31
Bulgaria	3,144	4,236	375	2,235	7	872	Nov. 30
British India	2,169	2,084	2,318	783	961	984	Oct. 31
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-Feb. 15	
	1933-34	1934-35	Feb. 1	Feb. 8	Feb. 15	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	220,616	168,712	4,088	5,504	4,024	115,712	126,424
Canada, 4 markets 2/	194,213	176,059	1,875	2,720	2,098	138,122	179,596
United States	37,002	21,532	146	125	108	15,040	8,806
Argentina	140,128	186,228	652	1,676	1,019	117,784	56,983
Australia	90,736	111,628	2,348	2,844	3,082	68,812	63,102
Russia	26,656	1,656	0	688	288	1,656	27,792
Danube & Bulgaria 3/	15,872	4,104	0	128	0	616	7,880
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				304,892	282,437
Total European shipments 1/	401,560	387,752	5,896	9,280		6/ 241,464	6/ 213,880
Total ex-European shipments 1/	123,352	142,424	2,160	2,744		6/ 77,408	6/ 82,920

1/ Broomhall's Corn Trade News
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To February 8.

Table 11.- United States: Exports of wheat and wheat including flour, 1934-35 and 1935-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July	826	66	286	248	2,168	1,231
Aug.	1,776	8	440	270	3,845	1,278
Sept.	109	14	443	279	2,190	1,324
Oct.	57	14	397	314	1,923	1,489
Nov.	152	30	380	335	1,936	1,602
Dec.	32	34	315	234	1,511	1,132
Week ended						
Jan. 4	0	2	18	32	85	152
11	0	0	29	13	136	61
18	0	1	22	21	103	100
24	2	1	43	15	204	71
Feb. 1	14	0	25	31	132	146
8	0	3	21	26	99	125
15	1	0	23	23	109	108

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 12.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1 - Dec 28	89,036	50,676	50,672	44,232	608	7,408	92,088	97,536
Week ended								
Jan. 4	2,944	792	2,200	1,620	0	0	1,392	1,496
11	4,252	1,076	2,176	2,216	8	104	2,168	3,992
18	3,264	652	3,176	2,912	0	0	2,240	4,536
25	4,124	440	3,156	3,848	0	240	2,424	5,248
Feb. 1	5,076	652	2,344	2,348	0	0	2,600	4,088
8	4,808	1,676	2,820	2,844	0	128	2,792	5,504
15	4,280	1,019	2,268	3,082	0	0	2,008	4,024
Total, July 1 - Feb. 15	117,784	56,983	68,812	63,102	616	7,880	1/ 115,712	126,424

Compiled from Broomhall's Corn Trade News.
1/ Includes shipments from Canada to United States which are not available by weeks.

Table 13.- Wheat: Stocks in specified European countries, December 15 and January 15, 1934-35 and 1935-36

Position	1934-35		1935-36	
	Dec. 15	Jan. 15	Dec. 15	Jan. 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports:				
United Kingdom 1/ 2/	14,760	16,120	8,800	10,760
Antwerp	3,548	3,798	1,475	2,120
Rotterdam	2,719	2,499	735	992
Germany:				
Berlin 1/ 2/	2,729	3,089	719	2,142
"Second-hand" stocks 2/3/	66,924	70,025	4/52,209	4/53,406
Farm stocks 2/	85,245	67,571	4/97,958	4/75,471
Others:				
Swedish mill stocks of wheat 2/	3,283	3,319	3,289	

1/ Wheat and flour
2/ First of the month
3/ In warehouses and flour mills, domestic wheat and flour as well as foreign duty-paid and duty non-paid. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin data.
4/ Preliminary.

Table 14.-
Durum wheat: Acreage and production in the Western Mediterranean Basin average 1930-1934, annual 1934 to 1935

Country	Acreage			Production		
	1930-34	1934	1935	1930-34	1934	1935
	1,000 acres	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels
Spain	2,246	2,278	2,212	31,618	37,368	30,791
Portugal	462	469	521	6,338	8,642	8,194
Italy	3,771	3,865	3,892	58,058	57,797	55,850
Fr. Morocco	2,179	2,224	2,718	20,734	27,925	13,962
Algeria	3,022	2,916	3,091	22,593	28,322	24,453
Tunisia	1,745	1,606	1,507	9,134	9,553	11,023
Total	13,425	13,358	13,941	148,475	169,607	144,273

Official and private estimates supplied by United States Foreign Agricultural Service at Paris and International Institute of Agriculture, Rome, Italy.

Table 15.- Italy: Imports of durum wheat by countries of origin, 1928-29 to 1934-35

Country from which imported	Year ended June 30						
	1928-29	1929-30	1930-31	1931-32	1932-33	1933-34	1934-35
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 1/	4,784	3,099	3,454	848	1,056	945	994
Canada 2/ ...	24,521	11,227	14,476	3,356	1,756	676	1,102
Russia	0	818	6,666	4,808	1,534	1,571	117
Argentina	370	441	592	512	23	146	252
Other countries.	67	509	209	327	86	254	688
Total imports	29,742	16,094	25,397	9,851	4,455	3,592	3,153

Foreign Agricultural Service. Compiled from Statistica del Commercio Speciale, di Importanzione e di Esportazione Italio, June and December.

1/ Includes Canadian durum clearing from United States ports.
2/ Includes United States durum clearing from Canadian ports.

Table 16.- France: Imports of durum wheat by countries of origin, 1928-29 to 1934-35

Country from which imported	Year ended June 30						
	1928-29	1939-30	1930-31	1931-32	1932-33	1933-34	1934-35
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States 1/	132	536	984	351	933	93	---
Canada 2/	225	531	2,541	2,353	1,410	1,759	1,146
Russia	0	30	47	---	---	---	29
Algeria	4,023	3,649	4,603	3,163	4,910	5,941	5,254
Tunisia	3,087	3,847	2,035	3,747	3,892	549	469
Morocco	540	347	130	1,617	610	538	546
Other countries.	17	20	361	825	388	715	677
Total imports	8,024	8,960	10,701	12,056	12,143	9,595	8,121

Foreign Agricultural Service Division. Compiled from Tableau General du Commerce Exterieur and Statistique Mensuelle du Commerce Exterieur de la France, June and December.

1/ Includes Canadian durum clearing from United States ports.
2/ Includes United States durum clearing from Canadian ports.

Table 17.- Durum wheat products: Production and distribution, United States, 1929-30 to 1935-36 1/

Year and month	Durum wheat ground	Production 2/		Exports		Available for consumption 3/	
		Semolina	Flour	Semolina	Flour	Semolina	Flour
	Bushels	Barrels	Barrels	Barrels	Barrels	Barrels	Barrels
1929-30 -							
July - Dec.	8,015,616	1,184,796	535,941	33,351	98,133	1,151,445	437,808
Jan. - June	7,003,156	1,184,109	311,158	37,629	58,614	1,043,428	345,596
Total.....	15,018,772	2,358,905	847,099	70,980	156,747	2,194,873	783,404
1930-31 -							
July - Dec.	7,338,125	1,236,508	212,802	40,877	25,901	1,195,631	186,901
Jan. - June	6,852,220	1,144,134	326,685	43,663	12,824	1,100,471	303,861
Total.....	14,190,345	2,380,642	539,487	84,540	38,725	2,296 102	490,762
1931-32 -							
July - Dec.	7,345,990	1,268,124	295,636	11,559	13,576	1,256,565	282,060
Jan. - June	5,895,622	987,965	232,747	4/	4/	987,965	42,754
Total.....	13,241,612	2,256,089	528,383	11,559	13,576	2,244,530	324,814
1932-33 -							
July - Dec.	6,109,118	1,067,518	217,824	4/	4/	1,067,518	217,824
Jan. - June	6,897,618	1,155,273	430,532	2,518	4/	1,152,755	430,532
Total.....	13,006,736	2,222,791	648,356	2,518	4/	2,220,273	648,356
1933-34 -							
July - Dec.	6,579,689	1,116,337	264,708	4/	4/	5/	5/
Jan. - June	6,616,280	1,135,064	263,618	4/	4/	5/	5/
Total.....	13,195,969	2,251,401	528,326	4/	4/	5/	5/
1934-35 -							
July - Dec.	6,468,443	1,069,131	290,889	4/	4/	5/	5/
Jan. - June	5,779,986	986,318	267,008	4/	4/	5/	5/
Total.....	12,248,429	2,055,449	557,897	4/	4/	5/	5/
1935-36 -							
July - Dec.	8,079,600	1,277,468	354,860	4/	4/	5/	5/
Jan - June							
Total.....							

1/Data prior to July 1, 1933, collected and distributed by Bureau of Foreign and Domestic Commerce. Subsequent data collected and distributed by Grain Market News Service, Bureau of Agricultural Economics.
2/Amount of semolina and flour produced not strictly accurate as total production of one mill not reporting semolina and flour separately is included in semolina.
3/Includes material used in domestic manufacturing industries.
4/Data confidential because of light export business and small number of firms exporting.
5/Not computed because of absence of export data.

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UNITED STATES DEPARTMENT OF AGRICULTURE
Bureau of Agricultural Economics
Division of Statistical and Historical Research
Washington

U. S. Department of Agriculture

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WORLD WHEAT PROSPECTS

Summary

The United States will again become a net exporter of wheat, and domestic wheat prices will adjust from an import to an export basis if intentions of spring wheat farmers, as reported to the Department on March 1, are carried out and growing conditions for the spring and winter wheat crops are not extremely unfavorable.

The acreage of spring wheat other than durum, for harvest in 1936, will be 18 percent greater than last year and durum acreage 25 percent greater if farmers carry out their intentions to plant. These increases reflect the removal of planting regulations and the relatively high level of prices which has prevailed during the past 3 years. If intentions are carried out and average yields obtained, the production of spring wheat other than durum will be considerably greater than the quantity of this type of wheat usually consumed in this country. The intended acreage for durum, while presenting a large increase over 1935, is still materially under the 5-year (1928-32) average, and, with average yields, would produce only about enough to meet domestic requirements and replace depleted stocks.

Largely as a result of the small crops in each of the last 3 years, domestic prices, beginning with the 1933 crop, have been 20 to 30 cents above a level of which any significant volume could be exported. The July future at Kansas City is currently about 11 cents under the May future. With hard winter commanding substantial premiums this season, cash prices may be expected to make greater adjustments than futures. Some adjustment has been in evidence

during the past month, No. 2 Hard Winter, now only about 8 cents over the May future, averaged 15 cents over during the latter part of February. The adjustment in spring wheat prices would be even greater since spring wheat prices have been high enough to allow imports.

While the total of the European fall seedings in the reporting countries is below that of a year ago and other recent years, the decrease was partly offset by January seedings in a number of countries, owing to unusually mild weather. In many countries an effort will probably be made to seed a slightly larger spring acreage if weather conditions are favorable. Acreage reductions are now indicated for winter wheat in the Baltic States, France, Spain, Rumania, Yugoslavia, and the United Kingdom.

There is less apprehension in most European countries than a month ago regarding crop outturns this year. The condition is now described as generally satisfactory, the principal exceptions having definitely poor crop prospects, are France, Tunisia, and to some extent the United Kingdom and the Baltic States. Condition is also reported only fair in Morocco, Algeria and Portugal. During the past month France, Spain, Portugal and Italy have continued to have rains, but some improvement was reported for North Africa. Recent mild weather in Europe, generally, has favored growth and crops have made favorable progress in most countries, including Russia. Late winter rains have improved conditions in India where harvesting is now in progress, but prospects are less favorable than a year ago.

The 1936-37 Wheat Outlook

Farmers' intentions to plant indicate an acreage for harvest of spring wheat other than durum in the United States of 19,128,000 acres compared with 16,182,000 in 1935 and 15,626,000 for the 5-year (1928-1932) average, and a durum acreage of 3,312,000 acres compared with 2,644,000 in 1935 and 4,805,000 for the 5-year average. Exclusive of durum, average yields on the intended acreage of spring wheat, which consists largely of hard red spring wheat, would produce a crop of 235,000,000 bushels which is greatly in excess of average domestic disappearance. Utilization of hard red spring wheat has varied between about 125,000,000 and 175,000,000 bushels, depending upon total supplies of hard wheats. While the United States does not ordinarily export much hard red spring wheat, large quantities in excess of domestic requirements go to enlarge the surplus of hard wheats, thereby indirectly affecting the supply of hard wheats available for export. In the case of durum wheat, the intended acreage with average yields would produce about 38,500,000 bushels compared with average domestic disappearance of about 36,000,000 bushels. There is no indication of how much of the intended acreage is planned to be planted to amber and how much to red durum. With no greater than average yields, however, it is doubtful if there would be much of a surplus of good quality durum after replenishing depleted stocks.

With average yields on the total 22,440,000 acres intended for spring wheat, a crop of 273,000,000 bushels would be produced. Adding this to the 530,000,000 bushels indicated by seeded acreage and December 1 condition of winter wheat, a total crop of about 800,000,000 bushels is indicated. A yield of spring wheat as low as that of 1931 (8.1 bushels per harvested acre) on the intended acreage, however, would result in a spring wheat crop of only 182,000,000 bushels, while a yield as high as that of 1924 (15.8 bushels per harvested acre) would result in a spring wheat crop of 355,000,000 bushels. Extremely unfavorable weather would be required to hold the crop close to domestic requirements. Any changes in plans of farmers, including those resulting from the Soil Conservation Program, would modify current prospects.

Assuming nearly normal yields, the acreage likely to be harvested would produce a surplus of wheat for export or carry-over into the 1937-38 season, and in the absence of any special measures such as governmental aids to exports or storage to relieve the pressure on the market, such a surplus would probably bring United States wheat prices close to an export basis. Since the beginning of 1933, wheat prices in the United States have been maintained at unusually high levels relative to world prices. This has been largely the result of 3 successive years of low production, but acreage reduction and the removal of surplus wheat from the Pacific Northwest through governmental aid have also tended to increase United States prices relative to world prices. The reduced production in this period has been due mostly to low yields and heavy abandonment. This reduced production, generally speaking, has lifted domestic prices 20 to 30 cents above what might have been expected with more nearly normal yields. Prices east of the Rocky Mountains in particular, where the supplies have been short, have been relatively higher compared with prices in the Pacific Northwest than can be expected with more nearly normal supply conditions east of the Rockies. This year, domestic prices of hard red spring wheat have been above Winnipeg

prices at least by the amount of the tariff. Prices of other hard wheats have been somewhat lower than those of hard red spring but relatively higher than those of soft wheats. With a return to a surplus situation, hard winter wheat in the Southwest and white wheat in the Pacific Northwest, and possibly durum, which types ordinarily constitute our export classes, would again return to a price that would allow a freight differential between the United States and importing countries. While we do not ordinarily export much hard red spring wheat, prices of this type which are now on an import basis are expected to adjust to about the normal relationship to export types. Moreover, in view of the fact that world stocks consist largely of spring wheat held by Canada, any lowering of Canadian prices, with a view to disposing of the surplus, will tend to be reflected in lower prices for hard wheats in the United States.

Prices of wheat during the current season in the relatively unprotected markets of the world have been the highest since 1929. Much of the rise in world prices of wheat in early 1933 when expressed in United States currency was due to the devaluation of the dollar. The rise during the current year, however, reflects the extremely small wheat production and reduced carry-over stocks in Argentina and Australia, the unsettled political situation in Europe and an improvement in world business conditions. By the end of the 1935-36 season the excessive stocks of wheat which accumulated from 1928 to 1933 will be reduced to about normal proportions, which represents a marked improvement in the world situation. This improvement, however, promises to be only temporary, unless a substantial reduction in acreage is made, or foreign tariffs are significantly lowered.

It is admittedly too early to forecast world wheat production with any high degree of accuracy. Normal yields in the Southern Hemisphere countries and in North America and possible increased production in Russia, might more than offset the decline in world stocks and also the prospective decline in European production. This would leave the quantity of the 1936-37 world wheat supply perhaps slightly larger than in 1935-36. Any change in world prices, under such conditions, would be influenced largely by the restoration of the Argentine competition in European markets and the return of certain European countries as net importers. Argentina is currently out of the European markets because of short supplies and high fixed domestic prices, but with a normal crop next year, the effects of the free selling policy would again be felt in importing markets. Several countries in Europe which ordinarily imported some wheat have had the problem in recent years of disposing of large surpluses. France, especially, is expected to be importing wheat again in 1936-37. Changes in world business conditions and in the international exchange situation would also be important price factors.

Winter Wheat Acreage

The total area sown to winter wheat in the 17 countries, excluding Soviet Russia, for which estimates are available, is about 140,000,000 acres, which represents an increase of 0.2 percent over the area sown in the same countries last season and an increase of 2.1 percent over the area sown for the 1934 harvest. The winter wheat acreage in these countries represents about 65 percent of the estimated total winter and spring area

in the Northern Hemisphere, excluding Russia and China. The slight increase this year is accounted for by increased acreage in the United States, this year's acreage of 47,529,000 acres being 6.7 percent above the plantings of a year earlier and 13.5 percent above the area planted 2 years ago. The European acreage in 13 countries shows a decrease of 3.5 percent from last season. The second estimate of the area sown in India is 33,329,000 acres, which is 1.3 percent below the corresponding estimate of the 1935 area. The only new estimate received during the past month is for the area sown in Egypt which is reported as 1,453,000 acres compared with 1,463,000 acres last season.

Table 1.-Winter wheat: Acreage sown in specified countries for harvest in 1934, 1935, and 1936

Country	For harvest in		
	1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres
United States	41,879	44,530	47,529
Canada	698	685	514
Total (2)	42,577	45,215	48,043
Bulgaria	3,095	2,804	2,893
Czechoslovakia	2,099	2,250	2,212
England and Wales	1,759	1,772	1,684
France	12,770	13,007	12,536
Germany	4,917	4,609	4,613
Greece	1,957	2,020	2,011
Hungary	3,850	1/ 3,944	1/ 3,954
Latvia	210	211	172
Lithuania	403	411	346
Poland	3,774	3,762	3,754
Rumania	6,824	1/ 7,739	1/ 6,919
Spain	11,386	11,254	10,768
Yugoslavia	5,208	5,354	1/ 5,189
Total (13)	58,252	59,137	57,051
India, 2nd estimate	34,683	33,774	33,329
Egypt	1,441	1,463	1,453
Total, 17 countries	136,953	139,589	139,876
Russia	26,659	31,836	34,721

1/ Estimates of the Belgrade office of the Foreign Agricultural Service.

Spring Wheat Plans in Soviet Russia 1/

According to a recent announcement, the Soviet Union plans to increase the 1936 spring wheat acreage by 5.6 percent compared with the planned acreage in 1935. This acreage, however, would not differ much from the actual area sown last year, which, according to a preliminary report, represented an increase of 5.1 percent over the planned area. The plans this year call for 60,544,000 acres compared with 57,354,000 acres planned in 1935 and 60,280,000 acres actually planted.

Wheat sowing figures, which are published by regions for the first time since 1933, are of considerable interest inasmuch as they clearly point to a regional shift in the distribution of wheat. The growing importance of the "non-black soil" regions of western, northern, and north central European Russia in the total wheat acreage is indicated by the fact that the 1936 spring plan provides for 5,090,260 acres to be sown to spring wheat in these regions 2/ compared with 4,487,336 acres reported sown in 1935 and only 951,335 acres in 1929. The 1935 fall sowing plan provided for 2,639,028 acres to be sown to wheat in these regions, so that the total 1936 wheat plan can be calculated at 7,729,288 acres compared with about 6,671,700 actually sown in 1935 and only 1,252,797 acres sown in 1929.

A large increase is also planned for the former Central Black Soil region (the present Kursk and Voronej regions). Spring wheat sowings there are expected to amount to 1,828,540 acres in 1936 as compared with 1,228,087 in 1935 and 766,000 acres in 1929. In the case of the eastern regions 3/ the level provided for by the 1936 plan is 10 percent above that of 1933, but 2.4 percent below 1934.

On the other hand, the acreage under spring wheat in Ukraine is placed below any of the past years and is also fixed on a low level for the former North Caucasus. The plan for Ukraine provides for an area of 2,802,114 acres of spring wheat to be sown in 1936 as compared with 3,654,609 sown in 1934 and 2,965,000 acres in 1932 and in 1933. The peak in spring wheat sowings came in 1930, when 8,401,400 acres were sown. Despite the small spring wheat acreage in Ukraine, the total acreage under wheat there does not show any reduction due to the expansion of winter wheat acreage, which is by far the more important of the two. The spring and fall plans for wheat sowings provide for a total acreage of wheat of 18,275,516 acres in Ukraine as compared with the average of 16,555,700 acres actually harvested in 1932-34. Data for 1935 are not available.

Minimum plan figures of grain yields according to regions provide for yields much above average in all regions and in the case of numerous regions above any of the past years, and in others they equal the highest yields registered. In order to achieve these high yields, the plan gives detailed instructions regarding utilization of selected seeds, sowing periods,

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1/ Based on a report by Assistant Agricultural Attaché Gordon P. Boals in Berlin.

2/ Comprising the Northern, Leningrad, Moscow, Western Lvanov, Gorky, Kalinin, Kirov regions, White Russia, and the Tatar Republic.

3/ Kasakstan, Sverklovak, Tcheliabinsk, Obj-Irtish, Western Siberian, Krasnokarsk, Omsk regions, Eastern Siberia, and Bashkeeria.

cultivation of the soil, and application of fertilizers. An important stipulation of this year's sowing plan is the prohibition of so-called "extra-early" sowings as well as sowing by aeroplane, which never has been important.

With a view to stimulating production of wheat and increasing cash receipts of collectives producing wheat, which are required to deliver grain to the Government at very low prices compared with prices at which the Government sells grain, the Government, by decree on February 11, announced an increase of approximately 10 percent in the procuring price for wheat and the introduction of a system of price premiums for wheat delivered in excess of the grain tax-in-kind. The premiums now introduced for wheat are similar to those already in force for cotton, flax, and some other agricultural products. The premiums increase with increasing quantities delivered in excess of the tax obligation of each collective farm. Thus, a premium of 10 percent in addition to the existing price is to be paid for each quintal (3.7 bushels) of wheat sold in excess of the tax, when the quantity sold surpasses 10 quintals but is below 50 quintals, and a premium of 15 percent for quantities above 50 quintals but not exceeding 100 quintals. The premium reached 100 percent of the price when more than 1,000 quintals are sold by a collective in excess of its grain tax. Similar premiums, though starting from a lower level, are also to be paid to individual members of collective farms selling wheat on private account.

Prices

The United States average farm price of wheat as of mid-February was 91.9 cents per bushel compared with 93.0 cents a month earlier and 87.9 cents in February 1935. Prices at principal markets also declined from the middle of January to the middle of February. After reaching the low point on February 10, Chicago and Kansas City May futures rose until February 27, following Liverpool and Winnipeg most of the time, but finally displaying independent strength as the result of threatened crop damage. Average prices of No. 2 Hard Winter at Kansas City rose 6 cents and No. 2 Red Winter at St. Louis 3 cents from the week ended February 15 to that ended February 29.

From March 1 to 13, influenced by larger marketings, more favorable reports of winter wheat conditions, and market liquidation, Chicago and Kansas City May futures were relatively weaker than the Liverpool, which was strengthened by the disturbed European political situation. Since March 13, with the easing of the European political situation, wheat markets declined generally, but Chicago and Kansas City declined more than Liverpool and Winnipeg, due largely to only moderate demand, improved winter wheat prospects and prospects of increased spring wheat acreage. Average prices of No. 2 Hard Winter at Kansas City and No. 2 Red Winter at St. Louis declined 8 and 5 cents, respectively, from the week ended February 29 to the week ended March 21. While future prices at Minneapolis have fluctuated between relatively narrow limits, cash prices at Minneapolis have been mostly down since the middle of February, average No. 1 Dark Northern Spring declining 9 cents and No. 2 Hard Amber Durum 4 cents from the week ended February 15 to the week ended February 29.

Table 2.- Wheat: Closing Saturday prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	100	103	98	102	108	112	85	89	77	96	4/56	4/94
Low 3/	92	97	90	94	100	107	82	83	69	89	4/54	4/91
Feb. 8	98	99	94	96	104	109	83	86	73	91	55	93
15	97	98	94	96	104	108	83	85	72	91	55	92
22	97	99	94	97	104	108	83	84	71	90	55	91
29	98	100	95	98	105	109	84	84	71	90	56	91
Mar. 7	96	100	92	97	103	108	83	85	71	91	55	91
14	92	100	90	98	100	108	82	85	72	93	55	5/92

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ January 1 to date.
4/ March and May futures.
5/ June futures.

Table 3.- Wheat: Weekly weighted average cash price at stated markets

Week ended	All classes: and grades: six markets		No. 2 Hard Winter: Kansas City		No. 1 Dk.N.Spring: Minneapolis		No. 2 Hard Amber Durum: Minneapolis		No. 2 Red Winter: St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	114	108	103	118	120	135	147	123	105	111	86	90
Low 2/	104	97	95	105	111	124	131	115	92	106	81	85
Feb. 8	114	108	98	110	114	134	138	123	98	107	85	87
15	114	106	100	107	115	135	134	122	98	108	86	86
22	111	106	---	111	116	132	136	---	98	108	86	85
29	108	107	100	113	116	126	135	118	98	111	86	87
Mar. 7	105	104	98	108	113	130	135	123	96	110	83	88
14	104	100	95	109	111	125	131	115	92	108	81	88
21	107	97	96	105	111	124	126	116	93	106	82	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ January 1 to date.

Table 4.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, January - March 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/ 7/	Paris 6/ 8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Jan. 4	118.0	134.9	78.3	92.2	96.8	79.2	---	---	---
11	115.1	130.3	78.7	91.6	96.7	81.7	221	140	246
18	112.3	132.2	78.5	91.5	98.7	84.2	222	146	249
25	110.5	133.0	78.9	90.8	98.3	86.5	222	158	248
Feb. 1	111.1	126.5	78.2	90.9	95.8	85.9	224	156	249
8	109.7	134.1	76.9	91.8	93.2	86.3	232	158	254
15	107.0	135.4	75.2	91.1	89.9	85.9	231	165	258
22	110.7	132.5	74.6	90.6	89.3	84.6	231	169	
29	112.5	126.4	76.0	90.5	90.4	83.6		171	
Mar. 7	108.2	130.0	75.4	90.5	89.0				
14	108.8	124.7	76.7	90.9	90.9				
21	105.2	124.2	75.8	90.6	89.4				

Prices are averages of daily prices for week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Domestic.
7/ Central German wheat, wholesale trade price free Central German station.
8/ Free market prices from January 1, 1935.

Exportable Surpluses and World Trade

The March 1 surplus of wheat available for export or carry-over by the three principal exporting countries, together with United Kingdom port stocks and quantites afloat, is estimated at 415,000,000 bushels compared with 540,000,000 a year earlier, 607,000,000 in 1934, and 592,000,000 in 1933.

Wheat stocks in Canada remaining for export or carry-over on March 1 totaled about 222,000,000 bushels compared with 254,000,000 bushels a year earlier. In addition, Canadian wheat in bond and in the United States amounted to 21,000,000 bushels compared with 23,000,000 bushels in 1935. Surplus stocks in Australia amounted to about 68,000,000 bushels compared with 88,000,000 bushels a year earlier, and in Argentina, 57,000,000 bushels compared with 129,000,000 bushels on March 1, 1935.

Table 5.- Wheat: Surplus for export or carry-over[1/] in the three principal exporting countries, United Kingdom port stocks, and stocks afloat, March 1, 1933-1936

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada				
In Canada	288	272	254	222
In United States	8	9	23	21
Argentina	123	165	129	57
Australia	107	108	88	68
Total	526	554	494	368
United Kingdom port stocks	6	13	12	8
Stocks afloat to				
United Kingdom	26	17	12	22
Continent	15	10	8	8
Orders	19	13	14	9
Total	66	53	46	47
Total above	592	607	540	415

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e. minus domestic requirements for March-July in case of Canada, March-November in the case of Australia, and March-December in the case of Argentina.

Weekly world shipments rose sharply from the season's low point of 4,900,000 bushels in the last week in December, reaching the season's high of 12,000,000 bushels the last week in February; for the week ended March 7, they were 10,200,000 bushels, and for that ended March 14 were 9,000,000 bushels. A year earlier the season's low, also reached the last week in December, was 6,800,000 bushels, and the February high point, reached the week ended February 9, was 11,100,000 bushels.

The very limited oriental demand this year has shifted the bulk of Australian wheat to European markets, where it has been offered very freely in competition with wheat from Canada. Total Australian January shipments this year were 12,900,000 bushels compared with 13,100,000 bushels in January 1935, and February shipments 15,400,000 bushels this year compared with 10,200,000 bushels in February 1935. Argentine shipments to Europe have been small because of short supplies and the Government's high fixed domestic prices. The greater part of Argentina's wheat is going to Brazil this year.

Shipments of Canadian wheat during February averaged 5,300,000 bushels per week, but for the first half of March they again declined to almost 3,200,000 bushels per week. These shipments are considerably below what was expected earlier in the season. Moreover, if Canada's possible share of the European trade for the March-June period is taken as in the neighborhood of 80,000,000 bushels, Canadian shipments would need to average about 5,000,000 bushels a week.

Shipments of wheat from Soviet Russia in January and February were small, and it is believed they will remain at relatively low levels from now until spring, when the crop outlook for winter grain can be better appraised.

The wheat surplus available for export or carry-over in the Danube Basin countries on March 1 is estimated by the Belgrade Office of the Foreign Agricultural Service at about 15,300,000 bushels compared with 18,750,000 bushels a year earlier. Exports during the second half of January and first half of February were exceptionally small even for this season of unusual inactivity.

Tables 10 and 11 show current shipments from principal exporting countries compared with those for recent years.

Wheat Imports into the United States

Imports of wheat into the United States from July through January consisted of 15,700,000 bushels of milling wheat and 7,500,000 bushels of wheat "unfit for human consumption". Most of this wheat has been hard red spring wheat from Canada, but some durum wheat has also been imported. Imports are necessary this year, primarily because the supplies of good milling wheats are short. The drought curtailed the acreage and reduced the yields of the 1935 hard winter wheats and, in spite of the modification of planting restrictions upon spring wheats under Agricultural Adjustment Administration contracts, production of spring wheat was below domestic needs because of rust which caused low yields and low test weight. It is expected that a total of about 35,000,000 bushels of wheat will be imported in 1935-36. Imports into the United States by years since 1923 and by months since July 1, 1935 are shown in Table 6.

Table 6.-Wheat: Imports into the United States for domestic utilization and for grinding in bond and export, 1923-24 to 1934-35, and monthly, July 1935-January 1936

Crop year	Full duty wheat (Tariff 42 cents)	Wheat unfit for human consumption (Tariff of 10 percent ad. valorem) 1/	Total imports for domestic utilization (Total of first 2 columns)	For grinding in bond and export 2/
	Bushels	Bushels	Bushels	Bushels
1923-24	13,783,423	---	13,783,423	13,904,837
1924-25	272,548	---	272,548	5,813,353
1925-26	1,664,843	---	1,664,843	13,421,480
1926-27	48,808	---	48,808	13,171,683
1927-28	161,297	---	161,297	15,043,679
1928-29	79,136	---	79,136	22,480,962
1929-30	44,607	---	44,607	12,903,364
1930-31	40,756	307,336	348,092	19,013,090
1931-32	6,057	---	6,057	12,878,851
1932-33	5,767	1,354	7,121	9,372,151
1933-34	143,656	5,729	149,385	11,341,052
1934-35	5,905,380	8,146,044	14,051,424	11,064,092
1935-36				
July	100,531	692,603	793,134	715,172
Aug.	1,661,658	908,447	2,570,105	1,045,428
Sept.	2,832,254	812,040	3,644,294	697,935
Oct.	5,042,638	281,298	5,323,936	1,258,735
Nov.	2,519,621	1,828,150	4,347,771	1,193,016
Dec.	1,368,503	2,952,651	4,321,154	781,074
Jan.	2,169,989	61,011	2,231,000	851,016
Total July-Jan.	15,695,194	7,536,200	23,231,394	6,542,376

Division of Statistical and Historical Research. Imports for consumption from United States Tariff Commission, July 1923 to December 1933, and from Bureau of Foreign and Domestic Commerce, January 1934 to date.

1/ Beginning June 18, 1930, a new classification, wheat unfit for human consumption, was introduced by the 1930 Tariff Act.
2/ Includes wheat for grinding in bond for export, which enters duty free. Beginning June 18, 1930, includes wheat ground into flour in bond for export to Cuba, a new classification in the 1930 Act. (The duty on this wheat equals the reduction in Cuban duty and the reduction in the consumption tax applicable by treaty to such flour imported into Cuba.)

New Government and Other Organizational Measures in Europe 4/

The principal activities on the part of the Governments or grain monopolies and other organizations with respect to wheat have continued to center around inter-country trade deals and the disposal of surplus stocks. The most important developments along this line during February were the offering of wheat for export by the Portuguese Government and the denaturing of wheat by the Spanish Government. On account of inadequate storage facilities and the unusual size of the 1935 harvest, it is reported that the Portuguese Government plans to export some 11,000,000 bushels, consisting partly of durum and partly of bread wheats. It is also reported that the Spanish Government has decided to denature 18,000,000 bushels of wheat for livestock feed out of the total official stock estimated at 28,000,000 bushels. Czechoslovakia is likewise considering the possibility of exporting a limited quantity of wheat from grain monopoly stocks, contingent of course, upon the granting of government subsidy. Negotiations along this line are reported to be going on also between Czechoslovakia and Austria. The Dutch Government has arranged for some French wheat in compensation for exports of dairy products from Holland. Rumania is said to be proposing future wheat deliveries to Belgium against the importation of Belgian industrial goods and also partly in settlement of previously accumulated Rumanian debts in Belgium.

Other government activities were generally of minor importance in the world trade situation. They include relatively high fixed prices for bread wheat and durum wheat in Italy, some changes in the sliding import taxes in Denmark, and some incidental organization ordinances in Germany.

The European Wheat Market Situation in February 5/

The February activity on the European wheat markets was generally quiet and of limited volume. Buying was cautious because mills were still being well supplied and because Australian wheat is being liberally offered on European markets. Moreover, there appeared to be some uncertainty as to the policy which Canada will pursue with a view to reducing its surplus. Demand for nearby wheats was largely offset by expected large deliveries of Australian wheat on March contracts.

Purchases of overseas wheat by European importers in February included mainly Manitobas. Continental wheat, such as French, Lithuanian, Polish, Swedish, and more recently also Portuguese was offered in fair quantities, notably on the English markets, but business was only fair even after prices declined. Portugal is reported thus far to have sold around 3,700,000 bushels of wheat. It is believed by some quarters that the remainder of the reported surplus, consisting of about 7,300,000 bushels, will not be exported until later in the year. The Portuguese wheat is reported to be of very low quality.

4/ From reports from Foreign Offices of the United States Foreign Agricultural Service.

5/ Based on a report from Assistant Agricultural Attaché Gordon P. Boals, in Berlin.

Business in domestic wheat in central and northern Europe was fairly steady during the month. A satisfactory turnover was reported in Germany, Austria, and northern Europe, but only a small business was recorded in Czechoslovakia and Poland. Prices of domestic wheat, where free to move, showed a firm tendency, notably in Austria, Poland and the Scandinavian countries. The relative price situation between wheat and feeds is becoming increasingly important as a factor modifying total wheat utilization this season.

Table 7.- Canada: Distribution of the wheat crop, 1932-33 to 1935-36

Item	1932-33	1933-34	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Carry-over, July 31	131,845	211,740	193,990	203,231
Production	443,061	281,892	275,849	277,339
Domestic utilization	107,676	101,309	100,963	112,000
Balance for export or carry-over	467,230	392,323	368,876	368,570
Net exports, wheat and flour:				
Aug.	19,761	10,779	16,444	23,364
Sept.	28,600	22,127	19,163	19,039
Oct.	42,549	25,904	23,930	31,155
Nov.	29,884	25,603	20,853	28,903
Dec.	29,945	19,318	18,824	19,015
Jan.	16,478	9,096	6,911	8,948
Feb.	12,413	7,975	8,562	1/15,772
Balance, Mar. 1	287,600	271,521	254,189	222,374

Compiled from official sources.
1/ Total exports, Net exports not available.

Table 8.-Australia: Distribution of the wheat crop, 1932-33 to 1935-36

Item	1932-33	1933-34	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Carry-over, Dec. 1 ..	10,759	18,534	39,415	17,049
Production	213,927	177,566	133,489	140,000
Domestic utilization.	56,660	61,942	1/55,000	1/55,000
Balance for export or: carry-over	168,026	134,158	117,904	102,049
Exports, wheat and flour:				
Dec.	12,368	7,481	8,510	2/5,904
Jan.	21,580	9,592	12,326	2/12,944
Feb.	27,252	9,472	9,131	2/15,444
Balance, Mar. 1	107,826	107,613	87,937	67,757

Compiled from official sources and the International Institute of Agriculture except as otherwise noted.

1/ Unofficial.
2/ Compiled from Broomhall's Corn Trade News.

Table 9.-United States: Exports of wheat and wheat flour, by weeks, 1934-35 and 1935-36

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 1-Dec. 28:	2,529	74	1,211	835	8,220	3,998
Dec.29-Feb. 1 :	16	4	137	112	660	530
Week ended :						
Feb. 8 .....:	0	3	21	26	99	125
15 .....:	1	0	23	19	109	89
22 .....:	3	0	46	22	219	103
29 .....:	0	24	29	42	136	221
Mar. 7 .....:	0	0	18	16	85	75
14 .....:	8	0	14	45	74	212

Compiled from a weekly report of the Department of Commerce.

Table 10.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	22,646	16,130	10,449	Feb. 29
Canada	267,342	198,555	169,630	139,529	130,070	157,282	Feb. 29
Argentina	120,272	144,854	187,000	86,709	126,566	59,687	Feb. 29
Australia	148,552	86,509	108,010	42,175	49,775	40,619	Dec. 31
Russia	19,676	33,787	4,286	26,803	3,406	27,080	Dec. 31
Hungary	7,010	29,615	12,499	15,969	5,580	7,902	Dec. 31
Yugoslavia	1,162	839	4,401	408	3,324	106	Dec. 31
Rumania	179	248	3,432	238	0	9,996	Dec. 31
Bulgaria	3,144	4,236	375	2,235	7	872	Nov. 30
British India	2,169	2,084	2,318	961	1,157	1,229	Nov. 30
Total	610,716	537,[illegible]29	513,433				

	Shipments as given by trade sources						
	Total		Week ended			July 1 - Mar. 14	
	1933-34	1934-35	Feb. 29	Mar. 7	Mar. 14	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	220,616	168,712	5,288	5,236	3,140	126,328	144,176
Canada, 4 markets 2/	194,213	176,059	2,456	568	1,802	142,449	187,635
United States	37,002	21,532	221	75	212	16,288	10,003
Argentina	140,128	186,228	1,204	1,653	1,171	133,824	62,296
Australia	90,736	111,628	4,976	3,807	3,472	80,088	79,899
Russia	26,656	1,656	216	592	216	1,656	29,008
Danube & Bulgaria 3/	15,872	4,104	0	0	24	624	7,904
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				342,832	323,539
Total European shipments 1/	401,560	387,752	9,576	7,496		6/ 262,520	6/ 239,340
Total ex-European shipments 1/	123,352	142,424	3,008	2,816		6/ 86,944	6/ 92,008

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To February 29.

Table 11.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1 - Feb. 1	108,696	54,288	63,724	57,176	616	7,752	102,912	116,896
Week ended -								
Feb. 8	4,808	1,676	2,820	2,844	0	128	2,792	5,504
15	4,280	1,024	2,268	3,096	0	0	2,008	4,464
22	4,068	1,280	2,424	4,528	0	0	3,384	5,648
29	4,952	1,204	2,680	4,976	0	0	2,040	5,536
Mar. 7	2,780	1,664	3,044	3,816	0	0	2,064	3,376
14	4,240	1,168	3,128	3,480	8	24	3,128	3,672
Total, July 1 - Mar. 14	133,824	62,304	80,088	79,916	624	7,904	118,328	145,096

Compiled from Broomhall's Corn Trade News.

Table 12.- Wheat: Stocks in specified continental European countries, January 15 and February 15, 1935 and 1936

Position	1935		1936	
	Jan. 15	Feb. 15	Jan. 15	Feb. 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports -				
Antwerp	3,799	3,182	2,120	2,017
Rotterdam	2,499	2,337	992	992
United Kingdom, (wheat and flour) 1/	16,167	13,962	10,766	9,370
Germany -				
Berlin (wheat & flour) 1/	3,090	3,072	2,142	2,120
"Second-hand" stocks, (wheat & flour) 1/ 2/	70,025	75,592	54,024	3/ 56,581
Farm stocks 1/	67,571	50,926	75,471	3/ 56,291
Other -				
Swedish mill stocks of wheat 1/	3,319	3,531	3,610	3,700

1/ First of the month.
2/ In warehouses and flour mills. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin and Hamburg data.
3/ Preliminary.

Table 13.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Net imports reported July 1 to	1934-35	1935-36
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	Dec. 31	4	4
Belgium	43	40	Dec. 31	24	20
Czechoslovakia	1/	1			
Denmark	12	19	Jan. 31	13	5
Estonia	2/	2/			
Finland	4	4	Dec. 31	2	2
France	18	3/ -17	Nov. 30	2	5
Germany	3/ -4	11	Jan. 31	8	1
Greece	12	13	Oct. 31	3	6
Irish Free State	19	18	Jan. 31	10	9
Italy	8	10			
Latvia	0	1/	Oct. 31	0	3/ -2
Netherlands	24	19	Feb. 29	14	14
Norway	9	9	Jan. 31	5	5
Poland	3/ -2	3/ -4	Dec. 31	3/ -2	3/ -4
Portugal	1	1	Nov. 30	2/	2/
Spain	1/	1/	Dec. 31	1/	2/
Sweden	2	3/ -2	Jan. 31	1/	3/ -1
Switzerland	18	18	Dec. 31	9	10
United Kingdom	216	202	Jan. 31	115	117
Total	391	352		207	191

Compiled from official sources.

1/ Net exports of less than 500,000 bushels.

2/ Less than 500,000 bushels.

3/ Net exports.

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WORLD WHEAT PROSPECTS

Summary

A return to more normal yields in the 1936-37 season in North America and in the Southern Hemisphere from the extremely small yields of last season and a likely increase in production in Soviet Russia may tend to offset the decline in world stocks and also the prospective decline in European production. This would leave the 1936-37 world wheat supply about the same or slightly larger than in 1935-36.

Estimates of the 1936 acreage sown to winter wheat, representing about 69 percent of the total wheat acreage in the Northern Hemisphere, excluding Russia and China, indicate a winter wheat acreage about the same as a year ago. Estimates for European countries representing about 75 percent of the total European wheat acreage, excluding Russia, indicate a decrease of about 4 percent. This reduction together with the reduction in Canada is about offset by the increase in acreage in the United States. Reductions in acreage are indicated for the European countries, France, Spain, England and Wales, Rumania and the Baltic States, and Tunisia in North Africa. There is little possibility that larger spring plantings will fully offset the decline in the European fall seedings because winter wheat acreage represents such a large proportion of the total wheat acreage.

Winter wheat in most European countries appears to be in a generally satisfactory condition, particularly in Central Europe and the Danube Basin. In France, however, crop prospects are below average at present. Acreage abandonment in Europe because of winter kill should not be large this year.

It may exceed the usual abandonment in some countries, however, as a result of the heavy rains and floods and if such fields are not replanted, lower yields may be expected in the affected districts.

Reports from Canada indicate favorable moisture conditions for the spring plantings. Satisfactory progress has been made in preparations for seeding in Argentina, with increased acreage in prospect. Conditions are reported to be generally favorable for seeding in Australia but rains would be helpful to germination in early sown fields.

Total prospective United States production may still provide a surplus available for export, if average growing conditions prevail in the spring wheat area. Moisture continues to be badly needed in the Hard Winter Wheat Belt. Continued drought is causing rapid deterioration in most of Oklahoma and Texas and in Central and western Kansas. Seeding in the Spring Wheat Area has been delayed considerably, which will tend to prevent some of the increase that might be expected. Moisture supplies in the spring wheat area, however, are better than for several years past.

In the event that the prospect of a surplus continues, domestic prices would need to adjust to lower levels. On the basis of current freight rates, a price difference of 12 to 20 cents between Kansas City and Liverpool appears necessary before significant quantities of wheat would be exported.

Winter Wheat Acreage

Official estimates of the 1936 acreage sown to winter wheat as reported for 19 countries, excluding Russia, total 144,530,000 acres, an increase of only 0.2 percent over the 144,249,000 acres sown in the same countries for harvest in 1935. These countries, in 1935, planted about 69 percent of the total wheat acreage in the Northern Hemisphere excluding Russia.

Estimates for 14 European countries, representing about 75 percent of the total 1935 European wheat acreage excluding Russia, total 57,434,000 acres which is a decrease of about 4 percent from last year. The acreage in Russia is reported at 34,721,000 acres which is an increase of 9 percent over the acreage of last year.

The acreage planted to wheat in Japan, this year is reported to be about 5 percent above last year.

Winter Rye Acreage

The acreage sown to rye in the 13 countries for which estimates are available, is estimated at 41,210,000 acres, an increase of 0.2 percent from the 41,141,000 acres reported in 1935. The European acreage in 11 countries, excluding Russia, totals 34,338,000 acres, which represents virtually no change from last year. The Russian estimate is 57,426,000 acres, a decrease of 2 percent from last year, when the acreage was reported at 58,598,000 acres.

Weather and Crop Conditions

Canada.- Moisture conditions in Canada are more favorable than last year, with fall and winter precipitation moderately above average.

British Isles.- Autumn sown wheat is looking better than that which was sown late, which is thin and patchy as the result of frost damage. Spring seeding has been backward because of wet fields, resulting from excessive rains.

Central European countries.- Condition of winter wheat in Germany as of April 1 was reported at 2.4, which represents a condition between average (3.0) and good (2.0). Moisture is reported as sufficient. Winter wheat conditions as of March 15 in Poland were above average and the crop appears more forward than usual. In Czechoslovakia crops have apparently come through the winter without any material damage and as a result of the generally mild winter are reported as well developed. Crops in Austria in March were reported in general as looking healthy and are much further advanced than a year ago.

Western Mediterranean countries.- The crop in Italy is characterized as good to very good, although there have been complaints of damage in the North from excessive moisture. On the Island of Sicily, growth along the Coast is reported to be good and the main central areas progressing well. The storm and high winds in recent months do not appear to have damaged grain. It is expected that the harvest in France, as the result of excessive moisture, will be below average and less than domestic requirements. While some improvement has been noted recently the prospects are definitely poor. Reports from Spain and Portugal, although indicating damage and possibly a reduction in harvest, are not such as to indicate generally poor prospects. The low lands, where the greatest damage was reported, constitute only a small percentage of the wheat area, and it is too early to approximate effects on the Plains.

In Morocco heavy rains were experienced throughout the Protectorate during the last 10 days of February and the first 10 days of March. While some of the rains were so heavy as to allow a good part to be lost through run-off, the outlook which is still below normal, was greatly improved and much moisture has been added to subsoil reserves for the spring period. In Algeria the grain crop is again reported only fair. Good rains fell at the end of February, but these were only sufficient to satisfy current needs. At present conditions are favorable for European culture, and, although improved for native culture, they leave much to be desired. For a reasonably good crop, well distributed rains during the spring will be necessary. In Algeria, as well as in Morocco, there has been a considerable amount of premature heading out of early planted grain. The crop in Tunisia is very poor, conditions in the South being exceptionally bad as the result of drought and high temperatures. Rain toward the last of February fell in fair quantities in the northern zone, but even here only moderate yields may be expected.

Danube Basin countries.- Crops throughout the Danube Basin are in good condition. A slightly larger-than-normal abandonment, however, may be expected as a result of floods which followed the heavy February rainfall. During early and middle April it was reported that cool weather was checking growth.

Soviet Russia.- Reports on the conditions of winter crops in Soviet Russia are on the whole still very scarce. Strong southeast winds at different points of southern Ukraine and the North Caucasus in March, not only dried up soil, but in some sections, uncovered winter plants. The extent of the damage done is unknown, however. It was reported from the Dniepropetrovsk region of southern Ukraine that the thinned-out and winter-killed acreage constitutes not more than 4 percent. In the Azov-Black-Sea region 80 machine tractor stations reported the condition of the crop as good or satisfactory. There was mention of a rather thick layer of ice in some of the central rye growing regions of the Union in February, but no complaints were received at later dates. In the middle of April frost and severe dust storms were reported in some sections.

China and Japan .- Present indications are that the new Chinese wheat crop may be 5 to 10 days late due to prolonged cold weather this year. Weather reports indicate nearly all sections have sufficient moisture supply for early spring growth. In Japan cold and unfavorable weather have reduced yield prospects.

Wheat Production in the Punjab and in Japan

The first official estimate of production in the Punjab in India for the current season is 124,633,000 bushels compared with the first estimate of production in 1935 of 132,459,000 bushels. The final estimate for 1935 was 130,592,000 bushels. The Punjab is an important wheat producing province and represents roughly 30 percent of the total wheat area of India.

Unofficial estimates of Japanese wheat production indicate a crop of 45,900,000 bushels compared with 48,720,000 bushels last season. Early in the season indications were that the 50,000,000 bushel goal announced in the Japanese National Plan would be achieved this season as a result of the increase of around 5 percent in the seeded acreage. Unfavorable weather, however retarded crop development and lowered prospective yields. The National Plan to make Japan self-sufficient involved a 15,000,000 bushel increase in wheat production in 5 years beginning in 1933. The goal of around 50,000,000 bushels was practically achieved in the past 2 years.

The Spring Sowing Campaign in Soviet Russia 1/

Spring weather set in at the beginning of March in Crimea, southern Ukraine, and the southern section of North Caucasus. By March 20 the seeding of early spring cereals was reported completed in Crimea as well as the Odessa and Dniepropetrovsk regions of southern Ukraine. This represents rapid progress. The seed funds of the collectives were reported fully assembled by March 1, when they amounted to 107 percent of requirements, as compared with 102 percent at the same time a year ago. However, exchange of seeds by collectives to obtain pedigree varieties for seeding is progressing slowly, with only 46 percent of the seeds exchanged by March 1. Seed fumigation is also lagging behind, even in regions where sowing has begun. In the case of tractor repairs, 95 percent of tractors to be repaired were reported overhauled by March 10, as compared with 98 percent in 1935. The absolute number of overhauled tractors, however, was about one-third above that of a year ago (181,000 as compared with 136,000). The delivery of fuel to the machine tractor stations is reported greatly behind plans, which in view of the increased importance of tractors for the success of the whole spring campaign, may prove to be a limiting factor.

United States Stocks and Prospective Supplies

The April 1 farm stocks of wheat this year are estimated at about 97,000,000 bushels compared with 93,456,000 bushels a year earlier and the 5-year (1928-32) average of about 127,000,000 bushels. The indicated disappearance of wheat from farm stocks since January 1, which was 62,500,000 bushels compared with 44,000,000 bushels in the same period last year and the 5-year average of 121,000,000 bushels, was the smallest except for last year since 1927. The total of farm stocks plus commercial stocks this year was only slightly larger than a year earlier, when it was the smallest since 1926. Stocks in these two positions totaled 149,000,000 bushels this year compared with 145,500,000 bushels on April 1, 1935 and 117,223,000 in 1926. No figures are as yet available for stocks in, or in transit to, merchant mills or in interior mills and elevators, which last year totaled 148,500,000 and in 1934 totaled 188,600,000 bushels.

A considerable quantity of this years wheat stocks is of poor quality. Public elevator stocks in Minneapolis, for example, are reported to be about two-thirds No. 4 wheat or lower, while stocks in St. Louis are about one-half No. 3 or lower.

The condition of winter wheat on April 1 indicated a winter wheat crop of 493,000,000 bushels, compared with the 1935 crop of 433,000,000 and the 10-year average of 579,852,000 bushels, but recent reports from the Southwest indicate further deterioration. Yields per acre indicated by April 1 condition, with the exception of a few Northeastern States, were generally below average. In the Southern Great Plains, drought conditions in the winter reduced winter wheat prospects, but in the Pacific Northwest the

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1/ From a report by Assistant Agricultural Attache Gordon P. Boals, in Berlin.

moisure situation improved during the winter with the result that there has been some improvement in crop prospects. In the soft red winter wheat belt the extreme cold apparently caused considerable damage. Condition on April 1 indicated that about 21 percent of the acreage seeded last fall will be abandoned. The 10-year (1923-32) abandonment was 12.6 percent. In general, the abandonment is expected to be above average in the western half of the country and below average in the eastern half. Very heavy abandonment is again in prospect in the southwestern area, including the Oklahoma and Texas Panhandles and adjacent territory.

Since April 1 winter wheat has made mostly poor progress in the Ohio Valley and poor to fair advance in Missouri. In extreme eastern Kansas wheat has shown some improvement but it has deteriorated elsewhere, as was also the case in most of Oklahoma and Texas. In western Oklahoma plants are reported dying; in the Panhandle most of the crop has been mostly killed by dust and dryness. Moisture is still needed in southeastern Colorado and in New Mexico. In the Pacific Northwest the top soil is becoming dry, but subsoil moisture is still mostly satisfactory. Much winter wheat is being reseeded in Washington. The seeding of spring wheat is about completed in southern South Dakota and is well along in west-central Minnesota. In all sections of North Dakota soil moisture is generally ample for seeding and germination.

Total domestic production still appears likely to provide a surplus available for export, if the winter wheat crop turns out to be near the 493,000,000 bushels indicated on April 1, which represents a reduction from earlier estimates this year but is still above a subsequent private estimate, and fairly average conditions in the spring wheat area prevail. Extremely unfavorable weather might hold the crop close to domestic requirements.

Prices

The United States average farm price of wheat as of March 15 was 90.9 cents per bushel compared with 91.9 cents a month earlier and 85.5 cents a year earlier. Market prices declined generally after the middle of March, influenced by moderate demand, improved winter wheat conditions, prospects of an increase in spring wheat acreage, and an easing in the European political situation. In early April prices reached the lowest levels since November but then rose through April 18, September wheat in Chicago and Kansas City recording new high markets for the season, July the highest level in 6 months and on April 22 the highest since late January. Domestic prices of cash wheat as well as futures were independently strong, largely as the result of deterioration in winter wheat condition, exaggerated by speculative trading but also by some broadening in demand. Foreign prices have not shown as much strength as have domestic prices, but have become firmer as the result of crop news from this country, tenseness in the European situation and the generally backward spring throughout Europe.

No. 2 Hard Winter at Kansas City declined from a March high weekly average of 109 cents for the week ended March 14, to a low average of 99 cents for the week ended April 11, rising again to an average of 104 cents for the week ended April 18. No. 1 Dark Northern Spring wheat at Minneapolis averaged 130 cents for the week ended March 7, 116 cents for the week ended April 4, and 124 cents for the week ended April 18. Average weekly prices of other representative grades are given in table 2.

Table 1.- Wheat: Closing Saturday prices of May futures 1935 and 1936

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	101	103	102	102	110	112	90	89	81	96	4/65	5/94
Low 3/	92	94	90	92	100	98	82	79	69	89	4/54	5/90
Mar. 21	94	98	93	97	103	105	84	83	75	90	58	6/91
28	95	97	95	96	104	101	84	82	76	90	60	6/91
Apr. 4	94	94	93	92	103	98	87	79	78	89	62	6/90
11	101	95	102	93	110	98	89	81	81	91	65	6/90
18	100	102	102	100	110	108	89	83	80	91	64	6/90

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ January 1 to date.
4/ March and May futures.
5/ March, May and June futures.
6/ June futures.

Table 2.- Wheat: Weekly weighted average cash price at stated markets 1935 and 1936

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	115	108	107	118	120	135	147	123	105	111	88	90
Low 2/	104	92	95	99	111	116	126	103	92	102	81	84
Mar. 21	107	97	96	105	111	124	126	116	93	106	82	86
28	107	92	98	102	115	118	127	106	94	104	83	85
Apr. 4	107	94	98	102	115	116	130	106	93	104	84	84
11	113	94	101	99	116	123	138	106	96	102	86	84
18	115	94	107	104	119	124	136	103	100	107	88	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ January 1 to date.

Table 3.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, February - April 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/7/	Paris 6/8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Feb. 1	111.1	126.5	78.2	90.9	95.8	85.9	224	156	249
8	109.7	134.1	76.9	91.8	93.2	86.3	232	158	254
15	107.0	135.4	75.2	91.1	89.9	85.9	231	165	258
22	110.7	132.5	74.6	90.6	89.3	84.6	231	169	256
29	112.5	126.4	76.0	90.5	90.4	83.6	231	171	258
Mar. 7	108.2	130.0	75.4	90.5	89.0	83.5	228	174	258
14	108.8	124.7	76.7	90.9	90.9	83.3	227	188	257
21	105.2	124.2	75.8	90.6	89.4	84.3	227	181	
28	102.4	117.9	74.1	90.0	88.4			182	
Apr. 4	101.8	115.5	72.6	89.8	90.1				
11	99.0	123.0	72.9	89.8	90.2				
18	103.8	124.0	75.2	90.1	91.0				

Prices are averages of daily prices for week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Domestic.
7/ Central German wheat, wholesale trade price free Central German Station.
8/ Free market prices from January 1, 1935.

European Imports in 1935-36 2/

The total import needs during the 1935-36 season (July 1 to June 30) for 21 European countries is now estimated at roughly 360,000,000 bushels. This represents very little change from our estimate made in January and is not greatly different from the estimate at the beginning of the season. Net imports in 1934-35 amounted to 352,000,000 bushels and in 1933-34 to 391,000,000 bushels. Estimates of imports by countries for 1935-36 as well as the 2 previous years are shown in Table 4.

Among the more important trade developments in individual countries in recent weeks are the shifts noted in France and Portugal. Instead of being a net exporter this season, as was indicated by French export plans, France will be a net importer for the year. On the other hand, Portugal has become a net exporter. A larger crop outturn in the Irish Free State than was estimated earlier along with trade figures to date have indicated a reduction in the import estimate for that country. Lithuania as well as Poland have continued to export more wheat than had been expected, and, therefore, a small upward revision of the export estimates for these two countries has been made. Export supplies now seem to be almost exhausted so that the seasonal total seems to be about reached. Since the Swedish authorities, contrary to previous expectations, released for export another 920,000 bushels of wheat in February, a further upward revision has been made for that country. No significant changes in deficit estimates have been made for other countries.

World Trade and Surpluses

World shipments in March averaged about 9,300,000 bushels a week compared with about 11,200,000 bushels in February. During the first half of April they fell off to about 7,870,000 bushels a week. Shipments usually reach a peak about February and then decline until the latter part of April or early May when lake navigation opens and shipments from Canada increase. Shipments the first half of April last year averaged 10,119,000 bushels, those for March 10,008,000 bushels, and for February 10,472,000 bushels. Shipments for the rest of the year will be determined largely by the price policy which will be pursued by Canada, which country holds most of the surplus wheat, and the manner in which the political situation in Europe develops. There has been considerable trade comment, which has been unconfirmed, that Great Britain might buy up a quantity of the Canadian surplus to hold as a reserve.

Canadian shipments in March averaged about 3,756,000,000 bushels per week and the first half of April about 3,267,000 bushels compared with about 5,288,000 bushels per week in February. Assuming that the year's world takings will amount to over 500,000,000 bushels in 1935-36, it would appear that Canada's share would necessitate average shipments approaching 6,000,000 bushels per week for the rest of the season. Shipments from Australia declined from a February average of about 3,861,000 bushels per week to 2,759,000,000 bushels the first half of April. Argentine's shipments, after averaging about 1,300,000 bushels since early February declined to only about 375,000 bushels for the week ended April 18.

2/ Based on a report from Assistant Agricultural Attache Gordon P. Boals in Berlin.

Table 4.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Preliminary forecast 1935-36 (unofficial)	Net imports reported: July 1 to	Net imports reported: 1934-35	Net imports reported: 1935-36
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	7 - 9	Dec. 31	4	4
Belgium	43	40	40 - 44	Dec. 31	24	20
Czechoslovakia	1/	1	3 - 3			
Denmark	12	19	9 - 11	Jan. 31	13	5
Estonia	2/	2/	0 - 0			
Finland	4	4	3 - 5	Jan. 31	2	3
France	18	3/ -17	4 - 6	Dec. 31	3/ -1	7
Germany	3/ -4	11	2 - 3	Jan. 31	8	1
Greece	12	13	10 - 12	Oct. 31	3	6
Irish Free State	19	18	16 - 17	Feb. 28	11	10
Italy	8	10	12 - 15			
Latvia	0	1/	-1 - -2	Oct. 31	0	3/ -2
Lithuania		1/	-1 - -2			
Netherlands	24	19	22 - 24	Feb. 28	14	14
Norway	9	9	7 - 9	Feb. 28	6	6
Poland	3/ -2	3/ -4	-4 - -4	Feb. 28	3/ -2	3/ -6
Portugal	1	1	-6 - -8	Dec. 31	2/	2/
Spain	1/	1/	0 - 0	Jan. 31	1/	2/
Sweden	2	3/ -2	-2 - -2	Feb. 28	2/	3/ -1
Switzerland	18	18	16 - 18	Dec. 31	9	13
United Kingdom	216	202	210 - 215	Jan. 31	131	131
Total imports	397	375	361 - 331			
Total exports	6	23	-14 - -18			
Total, net imports	391	352	347 - 373		222	207

Compiled from official sources.

1/ Net exports of less than 500,000 bushels.

2/ Less than 500,000 bushels.

3/ Net exports.

European wheat offerings have now become very much restricted and do not seem likely to play a very important role in the supply situation for the remainder of this season, although it is expected that Portugal will release an additional 3,700,000 bushels of wheat for export. France has stopped exporting as a result of poor crop prospects and the liklihood that it will have no burdensome carry-over at the end of the season. In Poland and the Danubian countries the domestic and export price relationships are not very favorable for export business. Some contingented quantities of Hungarian wheat are moving to Italy but this is not competitive with other wheats. Russian exports have practically ceased for the present at least.

The surplus of wheat available for export or carry-over in the principal exporting countries as of April 1 appears to be about 331,000,000 bushels this year compared with 447,000,000 bushels in 1935 and 515,000,000 in 1934. Furthermore approximations (complete figures not yet available) for United Kingdom port stocks and quantities afloat would make a total of about 380,000,000 bushels compared with 488,000,000 bushels last year and 567,000,000, 2 years ago.

Measures Reflecting Fundamental Developments 3/

Of the Government aid or organizational measures reflecting fundamental development in policy or control in the wheat trade the most important in recent months has probably been the institution of complete governmental control of the wheat market in Italy, including the adoption of fixed prices. All wheat supplies, over and above a small allowance for personal consumption by those having any wheat stocks have been put under complete control by the Ammassi Collettivi and it has been declared that millers may buy only from the Ammassi. The use of durum wheat has also been further restricted and important changes in qualities produced are taking place.

The change in the wheat policy which has occurred in France in March is characterized by the fact that any wheat surplus is now being carefully maintained, while during the winter efforts were made to liquidate a considerable quantity of the country's stocks. Exports, denaturing and sales of security stocks have all been discontinued, although the law upon which past policy has been based is in effect. The reason for the change is attributed to poor crop prospects at present, and prospects of about a normal carry-over at the end of the current season, which, in the face of the present political situation, it seems desirable to safeguard.

Denmark is considering a renewal with modifications, of its sliding grain tariff law expiring August 31. In Sweden the existing agricultural protection is expected to be prolonged for another year.

3/ From reports from foreign offices of the Foreign Agricultural Service.

Measures Reflecting Seasonal or Routine Changes 4/

The multitude of ordinances in Germany has become of considerable concern to the trade as well as to agriculture and the milling industry, and there are some reports that indicate there may be some simplification of these ordinances for the new crop year .

In Czechoslovakia the political parties agreed on a several years' prolongation of the grain monopoly, possibly in some revised form. A legal reform of the Polish State Grain Office is also planned in order to give it the status of a limited liability company for state grain intervention purchases and at the same time for acting as the Grain Central of the agricultural cooperatives. In Austria common bread prices have been reduced by 5 percent in several parts of the country. This reduction is expected to make for increased consumption of rye rather than wheat, however, as the bread so affected is mixed rye and wheat or pure rye bread. In Belgium the 10 percent milling obligation for domestic wheat has been abolished. This percentage had been reduced successively during the winter from 20 to 15 and then to 10 percent in accordance with changing domestic supplies.

The European Wheat Market Situation in March 4/

European wheat import markets in March were fairly active, due largely to purchases made in view of the European political situation, and because of depleted stocks of import and domestic wheat. Some rather large unsold shipments of Australian wheat, however, appear to have modified technically the otherwise firm market tendency for overseas wheat. Import buying centered on Manitobas, with some smaller purchases of better quality Portuguese wheat, old crop Plates and Russian wheat that had been stored at Antwerp. Two deals of about 260,000 bushels each were reported as concluded between Germany and Argentina on a clearing basis. The first deal was indicated to be for Argentine durum, while the second for Bahia Blanca.

4/ From reports of the foreign offices of the Foreign Agricultural Service.

Table 5.- Winter wheat: Acreage sown in specified countries for harvest in 1934, 1935, and 1936

Country	For harvest in		
	1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres
United States	41,879	44,530	47,529
Canada	698	685	514
Total (2)	42,577	45,215	48,043
Belgium	379	381	382
Bulgaria	3,095	2,804	2,891
Czechoslovakia	2,099	2,250	2,212
England and Wales	1,759	1,772	1,684
France	12,770	13,007	12,536
Germany	4,917	4,609	4,613
Greece	1,957	2,020	2,011
Hungary	3,850	1/ 3,944	1/ 3,954
Latvia	210	211	172
Lithuania	403	411	349
Poland	3,774	3,762	3,754
Rumania	6,824	1/ 7,742	1/ 6,919
Spain	11,386	11,254	10,768
Yugoslavia	5,208	5,354	1/ 5,189
Total (14)	58,631	59,521	57,434
India, 3rd estimate	35,019	33,955	33,646
Egypt	1,441	1,463	1,453
Algeria	4,068	4,095	3,954
Total 19 countries	141,736	144,249	144,530
Russia	26,659	31,836	34,721

1/ Estimates of the Belgrade Office of the Foreign Agricultural Service.

Table 6.- Winter rye: Acreage sown in specified countries, crop years, 1934-35 to 1936-37

Country	1934-35	1935-36	1936-37
	1,000 acres	1,000 acres	1,000 acres
United States	5,037	6,159	6,336
Canada	680	652	536
Total (2)	5,717	6,811	6,872
Belgium	528	525	525
Bulgaria	451	419	444
Czechoslovakia	2,415	2,461	2,485
France	1,659	1,607	1,611
Germany	10,971	10,670	10,702
Greece	182	185	203
Latvia	654	658	592
Lithuania	1,216	1,227	1,206
Poland	13,963	14,238	14,323
Rumania	886	939	776
Spain	1,426	1,401	1,471
Total (11)	34,351	34,330	34,338
Total (13)	40,068	41,141	41,210
Russia	58,472	58,598	57,426

Table 7.- Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, April 1, 1933 - 1936

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada -				
In Canada	271	260	243	207
In United States	6	6	16	17
Argentina -	105	148	111	52
Australia	84	101	77	55
Total	466	515	447	331
United Kingdom port stocks	10	15	12	9
Stocks afloat to -				
United Kingdom	21	16	13	18
Continent	16	8	7	9
Orders	15	13	9	10
Total	62	52	41	46
Total above	528	567	488	377

1/Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for April - July in the case of Canada, April-November in the case of Australia, and April-December in the case of Argentina.

Table 8.-Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	22,645	16,130	10,449	Feb. 29
Canada	267,342	198,555	169,630	139,529	130,070	157,282	Feb. 29
Argentina	120,272	144,854	187,000	104,084	144,343	64,574	Mar. 31
Australia	148,552	86,509	108,010	42,175	49,775	40,619	Dec. 31
Russia	19,676	33,787	4,286	26,803	3,406	27,080	Dec. 31
Hungary	7,010	29,615	12,499	15,969	5,580	7,902	Dec. 31
Yugoslavia	1,162	839	4,401	408	3,324	106	Dec. 31
Rumania	179	248	3,432	238	0	9,996	Dec. 31
Bulgaria	3,144	4,236	375	2,235	7	872	Nov. 30
British India	2,169	2,084	2,318	1,130	1,344	1,331	Dec. 31
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-Apr. 11	
	1933-34	1934-35	Mar. 28	Apr. 4	Apr. 11	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	220,616	168,712	4,312	3,672	3,027	128,376	159,771
Canada, 4 markets 2/	194,213	176,059	1,269	1,404	714	146,351	191,766
United States	37,002	21,532	104	249	113	17,989	10,141
Argentina	140,128	186,228	1,368	1,220	1,392	150,096	67,312
Australia	90,736	111,628	2,880	3,952	2,389	89,092	92,101
Russia	26,656	1,656	0	0	128	1,656	29,304
Danube & Bulgaria 3/	15,872	4,104	0	0	72	624	8,008
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				370,156	356,752
Total European shipments 1/	401,560	387,752	6,576	6,680		6/ 288,528	6/266,520
Total ex-European shipments 1/	123,352	142,424	3,064	3,280		6/ 100,968	6/103,880

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To February 29.

Table 9.-United States: Exports of wheat and wheat flour, by weeks, 1934-35 and 1935-36

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 1-Dec. 28	2,529	74	1,211	835	8,220	3,998
Dec. 29-Mar. 1	20	31	256	221	1,223	1,068
Week ended						
Mar. 7	0	0	18	16	85	75
14	8	0	14	38	74	179
21	0	17	56	36	263	186
28	0	1	19	22	89	104
Apr. 4	0	0	39	53	183	249
11	12	0	35	27	176	127

Compiled from a weekly report of the Department of Commerce.

Table 10.-Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	34-35	1935-6	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bush.	1,000 bush.	1,000 bushels	1,000 bushels
July 1-Feb.29	126,804	59,472	73,916	72,620	616	7,880	113,136	138,048
Week ended-								
Mar. 7	2,780	1,664	3,044	3,816	0	0	2,064	3,376
14	4,240	1,168	3,128	3,480	8	24	3,128	3,672
21	2,828	1,028	2,252	2,964	0	32	2,496	3,664
28	4,868	1,368	2,960	2,880	0	0	2,120	4,312
Apr. 4	5,080	1,220	1,224	3,952	0	0	2,696	3,672
11	3,496	1,392	2,568	2,389	0	72	2,736	3,027
Total, July 1-Apr. 11	150,096	67,312	89,092	92,101	624	8,008	128,376	159,771

Compiled from Broomhall's Corn Trade News.

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May 29, 1936

WORLD WHEAT PROSPECTS

Summary

A 3 percent increase in the 1936 wheat acreage is indicated by estimates of winter wheat acreage, seeded or remaining for harvest in the Northern Hemisphere, excluding Russia and China, and by reports of spring wheat intentions-to-plant in the United States and Canada. The increase is due largely to an indicated increase in the United States and Canada of about 12 percent over 1935. A decrease of 4 percent is estimated for Europe as a whole. Important countries reporting decreases are the Danube Basin countries, Czechoslovakia, France, Germany, Italy, Poland, and Spain. Estimates for the North African countries indicate a decrease of 10 percent from last season. In Soviet Russia, an increase of about 9 percent in winter wheat acreage is indicated. India reports a slightly decreased acreage and production.

The crop situation in Europe presents a mixed picture. Central European conditions are reported to be generally satisfactory, and prospects apparently are most favorable in the Danube Basin countries and least favorable in Spain and Portugal. They are also poor in Tunisia. Crop conditions in Canada appear to be very favorable. Winter crops in Soviet Russia are reported in good condition, and good progress was made in the sowing of spring wheat during late April and early May. In China, the crop, although late, is making favorable progress.

Less favorable winter wheat crop prospects than a month ago, together with prospects for a reduced carry-over on July 1, now make it very uncertain whether or not the United States will be faced with a sufficiently large exportable surplus to reduce prices to export levels. With the small winter

wheat crop indicated at present, the size of the surplus will be largely dependent upon the outturn of spring wheat. On the basis of the intended acreage and present growing conditions, it appears reasonable to assume that the spring wheat crop may bring the total wheat outturn to about 700,000,000 bushels. With prospective July 1 carry-over stocks reduced both in quantity and milling quality, a crop of this size could probably be largely or entirely absorbed in this country. Domestic prices under such circumstances would average above export levels. Exceptionally favorable growing conditions in the Spring Wheat Belt would be necessary for the crop to be sufficiently large to result in a surplus for export at prevailing world price levels.

Wheat Acreage

The wheat acreage for the 1936 harvest in the 23 countries, excluding Russia, 1/ for which reports are available is estimated at 197,714,000 acres. This figure is based on the estimated acreage of winter wheat seeded or remaining for harvest in the Northern Hemisphere, excluding Russia and China, and by reports of spring wheat intentions-to-plant in the United States and Canada. This represents an increase of 3 percent over the 192,584,000 acres reported by these countries in 1935, and an increase of about 8 percent over the 183,872,000 acres harvested in 1934. The increase in acreage this year is due to a slight increase in acreage in Canada and a larger increase in the United States acreage - the acreage indicated being the largest since 1930. The spring wheat acreage in the United States is indicated to be 22,440,000 acres, compared with 18,826,000 acres and 9,281,000 acres harvested in 1935 and 1934, respectively. The winter wheat area remaining for harvest is 35,932,000 acres compared with 31,000,000 acres in 1935. The spring wheat acreage in Canada is indicated to be about 24,354,000 acres. This compares with 23,560,000 acres in 1935 and 26,646,000 acres in the peak year of 1932. Winter wheat remaining for harvest in Canada is reported at 538,000 acres compared with 555,000 acres harvested last year.

The acreage in 16 European countries is reported at 70,848,000 acres, a decrease of 4 percent from the 1935 acreage in the same countries. The four exporting countries of the Danube Basin have decreased their acreage 6 percent below last year's acreage. This change is largely accounted for by Rumania's decrease of more than 1,000,000 acres in winter wheat. Hungary and Yugoslavia report slight increases. Important wheat-growing countries reporting decreased acreage are: Czechoslovakia, France, Germany, Italy, Poland, and Spain.

The acreage in the four North African countries is reported at 9,956,000 acres, a decrease of 10 percent from last season.

1/ See table 2.

India reports a slightly decreased acreage and production. The first estimate of the crop places it at 362,059,000 bushels compared with 363,067,000 bushels harvested in 1935. The weather is reported as ideal for harvesting and the quality of the crop is said to be highly satisfactory. The April estimate of area was 33,646,000, compared with 33,955,000 acres in 1935. The May forecast of production in the Punjab, which produces almost one-third of the Indian crop, was increased to 127,830,000 bushels from the April forecast of 124,633,000 bushels. The final estimate for 1935 was 130,592,000 bushels.

The Shanghai Office of the Foreign Agricultural Service in a report dated May 15 stated that the wheat crop in China, although late, is making favorable progress, sufficient moisture being available in nearly all sections. Present indications are for a crop larger than that of last year.

Rye Acreage

The rye acreage for harvest in 1936, in the 15 countries 2/ for which reports are available, is 39,257,000 acres compared with 40,197,000 acres in the same countries last year. The acreage in the United States, though lower than 1935, with the exception of that year, the largest reported since 1925. The U.S.S.R., which is not included in these totals, reported a decrease of 2 percent.

The total area in 12 European countries reporting is 34,889,000 acres compared with 35,411,000 acres last year. Germany reports winter acreage at 10,702,000 acres, or 4 percent less than last year's figure of 11,088,000 acres. Poland shows a slight increase over 1935, this year's figure being 14,323,000 acres compared with 14,238,000 acres last year.

Weather and Crop Conditions

United States.- The condition of winter wheat as of May 1 indicates a production of about 464,000,000 bushels compared with the forecast of 493,000,000 bushels a month ago. The crop this year is estimated at only 7 percent above the small production of last year, according to the May 1 indication, and is the fifth light crop of winter wheat in succession. It is estimated that the abandonment of acreage seeded for the 1936 crop has been 24.4 percent, which leaves 35,932,000 acres for harvest. The condition of the crop remaining for harvest was reported at 67.0 percent of normal on May 1 compared with 75.3 percent on May 1, 1935. Below average yields of winter wheat are in prospect in almost all sections of the country, with the greatest reduction appearing in the group of States extending from Montana and South Dakota to New Mexico and Texas. Decreases in prospective production between the April 1 and May 1 reports were the result of continued droughty conditions in the Southern Great Plains, particularly in the States of Kansas, Oklahoma, and Texas. While rains have been widespread since May 1 over most of the area where they were most urgently needed, from western Kansas to the Rio Grande River, a large acreage of the grain seeded last fall had already been lost. In a rather considerable southwestern area there is still a scant supply of moisture in the subsoil, and the final outturn is largely dependent upon well distributed rains during the remainder of the growing season.

2/ See table 1.

The size of the spring wheat crop will depend largely upon weather conditions during the rest of May and through July. Studies made by the Bureau of the effect of weather upon yield in the spring wheat area indicate that variations in June temperatures are most important in affecting yields, whereas April and May precipitation and July temperatures, respectively, are next in importance. Precipitation in the Spring Wheat Belt during April averaged less than 50 percent of normal, with South Dakota receiving the most moisture and North Dakota the least. Precipitation for the first 19 days in May, however, has been about 70 percent of normal in Minnesota and Montana and only about 45 and 35 percent in South Dakota and North Dakota, respectively. Work was about 8 days late in the Spring Wheat Belt and there was a tendency for farmers to seed on poorly prepared land.

Canada.- Crop conditions in Canada appear to be very favorable and although the harvest may be somewhat late because of a late, moist spring, good progress in seeding spring wheat is reported. Even though cold, wet weather prevailed during most of April, and general rains are retarding seeding somewhat, sowings over a large area are about as extensive as last year. In many places early sown wheat is up from 2 to 5 inches and shows even germination. In the North Central Area of Alberta and in northeastern Saskatchewan the least progress is noted and more favorable weather is needed. There are some reports of rusted wheat being sown in the Prairie Provinces. Such wheat requires very favorable growing conditions as it does not have the nutriment te withstand hardship. The winter killing of fall sown wheat is reported less than usual.

Austria.- The condition of winter crops on April 1 is officially estimated to be the same as on the same date a year ago, when it was reported "good". Cool weather the latter part of April retarded the development of the crop but warmer weather the first part of May has improved its appearance somewhat.

England and Wales.- Growing conditions are reported below last year. The crop was retarded by cold weather the first 3 weeks of April and wheat was reported patchy and not of good color but with more seasonable weather the last week in the month, improvement in appearance was noted.

France.- After continued cold, wet weather during the latter part of April and the first week of May, a much needed rise in temperature took place, which has already effected some improvement in the appearance of the plant in areas where it had lost color. The condition on May 1 was only fair to medium.

Germany.- The condition of the wheat crop on May 1 was officially reported between "average" and "good". Winter wheat is reported showing a good stand and fresh color. The loss of crops from winter killing is small. Some damage from the Hessian fly has been reported, making it necessary to plow up and resow fields in the affected area. Recent reports indicate spring like weather.

Greece.- Crop prospects, in spite of some damage by local floods, are reported excellent.

Italy.- The weather, after having been cold and rainy , has recently improved materially. Private estimates indicate a substantial reduction from the size of the crop last year. The presence of rust has been noted in some districts, the growth of which is encouraged by the excessive humidity.

Netherlands.- An official report dated April 20 indicates that the condition of winter wheat is excellent.

Poland.- Reports of the winter crops are generally satisfactory and average slightly higher than at this time last year. Fair weather has prevailed throughout the country and active progress is being made with the seeding of spring grain. Recent rains have had a beneficial effect but warm weather is needed.

Spain and Portugal.- Prospects for winter crops are unsatisfactory and a reduced production is predicted. Winter wheat has a poor appearance and lacks color. Following 4 months of excessive rain and milk temperature, unseasonably low temperatures prevailed early in May throughout most of the country. Warm weather is greatly needed.

Turkey.- Crop prospects are reported to be excellent.

Bulgaria.- Cereal crops are reported to be in excellent condition. Rains have been particularly favorable for spring-sown cereals.

Hungary.- Winter wheat shows good development, being sturdy and of good color but warm weather is needed. Fluctuating temperatures and frequent rains accompanied by hail prevailed throughout most of April. The precipitation was above average.

Rumania.- Favorable weather has been general and all crops are making good growth. Trade sources predict that yields will be above average. The condition of the winter crop is excellent and spring crops are growing vigorously.

Yugoslavia.- The condition throughout the country is reported to be extremely favorable.

Algeria.- The outlook is only fairly satisfactory. Subsoil reserves of moisture are said to be insufficient to assure the normal development of the late crop.

Morocco.- Crop prospects throughout Morocco continue to be favorable.

Tunisia.- The crop in Tunisia is very poor and trade soucres predict that it may be necessary to import wheat next season. Beneficial rains have fallen during the last month, however, which have improved the harvest outlook somewhat in the northern part, particularly where the crops were late.

Egypt.- The production in Egypt is expected to be slightly above average.

Soviet Russia.- The Government's reports indicate that in mid-April winter wheat in the U.S.S.R. was in good condition with winter damage no greater than average, but with weed growth causing some concern. Wintry weather in the East and North Central Districts after the middle of May may cause some further damage, however. In the Ukraine, the important winter wheat region, wheat is reported to be above average and to have improved recently. Total seedings of spring grains on May 5 amounted to 121,000,000 acres compared with 146,000,000 acres on the same date in 1935. Unusually favorable weather for farm work and seedings during March in the Southern Regions made for very rapid progress early this year, but a return of cold and unsettled weather during the first part of April greatly hindered all seeding operations and caused the program to fall far behind last year's program. The weather in the Eastern Regions was likewise unfavorable for spring work. With the return of seasonable weather around the middle of April, the rate of sowing was again increased, so that seedings between April 20 and May 5 exceeded those during the same period a year earlier. The heavy snows in the Eastern and North Central Districts the latter part of May however, will further delay spring seedings. In some of the Eastern Regions, including the Volga Area, the soil has been deficient of moisture and every effort has been made to avoid any unnecessary delay so that the plants may be as well started as possible before the early summer droughts and hot winds.

The plan for 1936 for the Ukraine provides for an area of only 2,802,000 acres of spring wheat compared with 3,654,609 acres sown in 1934 and 2,965,000 acres in 1932 and 1933. The expansion of winter wheat acreage in the Ukraine, however, offsets the reduction in spring seedings. The fall and spring sowing plans provide for a total acreage of wheat in the Ukraine of 18,275,516 acres compared with 16,555,700 acres actually harvested in 1932-34.

China.- The wheat crop in China is between 1 and 2 weeks late and the weather variable. With favorable weather during the next 2 weeks, however, the crop is expected to exceed last year.

Argentina.- The soil is reported to be in excellent condition and plowing is in progress in all districts. Wheat sowing is beginning in certain northern areas and is making good headway.

Australia- There was a deficiency of rainfall during April and the first part of May, which delayed seeding operations. Recent good rains in western Australia, permitted the resumption of seeding. A better supply of surface moisture is needed elsewhere to insure even germination, although sub-soil moisture is generally satisfactory.

World Trade and Surpluses

World shipments in April averaged about 8,000,000 bushels a week compared with 9,300,000 bushels in March and 11,200,000 bushels in February. Shipments declined to below 6,000,000 bushels for the week ended April 25, but rose to about 9,900,000 bushels per week in the following 2 weeks. Shipments usually decline from a February peak to a low point the latter part of April or early May, when lake navigation in the United States opens. Shipments in April last year averaged 9,600,000 bushels, those in March 10,000,000 bushels, and in February 10,500,000 bushels. Shipments for the rest of the season will be determined largely by the price policy pursued by Canada, holding most of the surplus wheat, and by crop prospects in European countries.

Canadian shipments, after averaging about 3,700,000 bushels per week in March, declined to 2,700,000 bushels for the week ended April 25, but in early May rose again to over 6,000,000 bushels. Shipments from Australia declined from almost 5,000,000 bushels for the week ended February 29 to less than 1,400,000 for the week ended April 25. For the week ended May 16, however, they rose again to almost 2,400,000 bushels. Argentine shipments, after averaging about 1,300,000 bushels per week since early February, declined to 880,000 bushels for the week ended April 25, but are currently running close to 1,000,000 bushels.

In the Danube Basin countries it is estimated that about 18,400,000 bushels of wheat have been exported thus far this season, out of an exportable surplus of 31,000,000 bushels. Nearly 60 percent of all exports were from Hungary. High domestic prices have prevented any significant exports being made from Rumania and Bulgaria since January, and also from Yugoslavia during most of the season.

Russian wheat exports have virtually stopped, and for the season to date are estimated at a total of about 29,000,000 bushels. While this quantity is many times larger than the exports during the last season, it is somewhat less than during the 1933-34 marketing year. A recent Soviet dispatch, which is of interest in connection with exports, states that the quality of Russian wheat is so improved and standardized that certificates of the State Grain Inspection Service are now sufficient in England for closing wheat sales with British importers in contrast with the sample method which has been required heretofore. It is likewise maintained that the quality of Russian wheat now surpasses that of both Argentina and Australia, and that Siberian spring wheat is equal to Canadian Manitoba.

The surplus of wheat available for export or carry-over in the principal exporting countries as of May 1 is estimated at about 297,000,000 bushels this year compared with 412,000,000 bushels in 1935 and 489,000,000 in 1934. The addition of United Kingdom port stocks and quantities afloat results in a total of about 338,000,000 bushels compared with 453,000,000 bushels last year and 534,000,000 bushels 2 years ago. On the basis of April 1 stocks in Canada, it appears that the Canadian estimate of production was underestimated by perhaps 15,000,000 bushels. If this could be assumed, it would cause the surplus in Canada, and also the total surplus for the three principal countries to be increased accordingly. Table 3 shows the surplus in the three countries, the United Kingdom port stocks, and stocks afloat for the last 3 years.

United States Wheat Supplies as of April 1 and July 1

Total wheat stocks in the United States on April 1, 1936 are estimated at 278,200,000 bushels compared with 293,600,000 bushels in 1935 and 401,300,000 bushels in 1934. Table 4 shows figures of estimated stocks in the different positions as of April 1 for the last 5 years.

Imports for the April-June period are expected to taper off, and net imports may be less than 3,000,000 bushels. Adding imports to April 1 stocks would result in total supplies for the quarter of almost 280,000,000 bushels.

On the basis of the rate of current grinding it seems reasonable to assume that between 115,000,000 and 120,000,000 bushels may be ground during the last quarter. The allowance of perhaps 40,000,000 bushels for seed and feed in addition to the amount for flour would make a total prospective disappearance of between 155,000,000 and 160,000,000 bushels and would cause July 1, 1936 stocks to be approximately 120,000,000-125,000,000 bushels. (While this is about the size of the carry-over stocks prior to the accumulation of large surpluses which began in 1928, supplies of milling wheat will probably be reduced to a minimum as a result of the poor quality produced last year).

Prices

The United States average farm price of wheat as of April 15 was 86.3 cents per bushel compared with 90.9 cents a month earlier and 90.2 cents a year ago. Market prices rose generally after the middle of April, dominated by deterioration in the winter wheat area, but declined as rains relieved the drought and more favorable conditions developed in the spring wheat area. Tables 5, 6, and 7 show wheat prices at important markets for recent weeks. No. 1 Dark Northern Spring at Minneapolis declined 19 cents, No. 2 Hard Winter at Kansas City 13 cents, No. 2 Red Winter at St. Louis 10 cents, and No. 2 Amber Durum at Minneapolis 4 cents from the average of the week ended April 25 to that of the week ended May 16. Moving more definitely toward the new crop basis, the spread between the old and the new crop prices in the futures market was also recently adjusted to about 6 cents compared with over 10 cents the first of the month. The closing September futures prices at Kansas City for the week ended May 16 averaged about 8 cents under the October prices at Liverpool. On the basis of current freight rates, exports of significance would require a price difference of 12 to 20 cents between Kansas City and Liverpool.

The Durum Situation in the Western Mediterranean Countries

A decrease of about 9,000,000 bushels, or 6 percent, in the durum production in the western Mediterranean Basin is suggested by preliminary estimates. Smaller crops are in prospect in Portugal, Spain, Algeria, and Tunisia, which will more than offset increases in Italy and Morocco. Table 8 shows the average 1930-34 and annual 1935 and 1936 estimates of durum acreage and production in the western Mediterranean countries. A smaller carry-over is also indicated; last year relatively large stocks, especially in North Africa, were carried over. Preliminary forecasts also suggest smaller imports into both Italy and France.

New Government Measures in Europe 3/

Fundamental changes in governmental policy with regard to bread grains were made in several European countries during April. In Spain the system of fixed government prices, controlled sales, and segregation of stocks was discontinued and markets again became free after many seasons of regulation. The new Minister of Agriculture invoked this change in government policy because of the problems which have arisen as the result of the

3/ From reports from foreign offices of the Foreign Agricultural Service.

accumulated surplus. It appears that effective machinery for enforcing the fixed price schedules were never developed. In Sweden, increased emphasis is being directed toward replacing the regulation providing for a state sales guarantee for bread grains by a system of market supporting purchases. It is planned to maintain the present price machinery in general, but to achieve a certain flexibility in the fixing of prices. In the event of a small or reduced production it is intended to have price increases stimulate an increase in production, or, vice versa, with large or surplus crops, declining prices are intended to discourage and reduce production.

In Czechoslovakia, negotiations regarding reorganization of the Grain Monopoly are still going on, with much attention centering around the problem of altering price relationships between wheat and other grains in order to effect a reduction in the wheat area. After indicating a few weeks ago that no more exports would be made this season, the Government in France, in order to counteract a decline in the domestic wheat price that had taken place in April, suddenly reversed its stand. Thus far, two authorizations for exports have been granted, the first amounting to about 1,900,000 bushels and the second, just recently announced, amounting to about 800,000 bushels. Although such exports are small they appear to have greatly aided in maintaining French domestic wheat prices. Denmark, on April 7, enacted a new wheat law effective to August 31, 1937, by which the Government reserves the right to control and reduce the importation of grains as it may see fit. The sliding import-tax scale system for grain is continued in order to assure stable prices. Revisions in grain taxes, particularly for hard wheat and flour, should decrease imports.

The Continental European Bread Grain Market Situation During May 4/

The European import trade during the month of April was fairly active, influenced by the persisting political uncertainty in Europe and by the unfavorable crop condition reports from the United States. Prices in importing countries were mostly steady to firm. The effect of new purchases on the part of Italy and Greece more than offset the prospect of renewed exports by France together with offerings of some fairly good grade wheat from Portugal. Italy was reported to have taken some quantities of Australian and probably Canadian durum wheat, while in Greece the Economic Council, it is indicated, authorized the importation of about 3,700,000 bushels of wheat, of which three-fourths is expected to be Canadian and one-fourth Australian.

Domestic wheat markets in continental countries were rather irregular, being largely under the influence of government activity and in some cases dwindling home supplies. In Germany the Reich Grain Office sold some quantities of rye, notably in the lower fixed-price districts where it had recently been difficult to obtain adequate supplies. Stocks of wheat of the Grain Monopoly in Czechoslovakia were still increasing and continuing to depress trading activity. Austria recently agreed with Hungary regarding the delivery of the unfilled yearly contingent, and it is expected that about 2,800,000 bushels of wheat will be imported from that source. This

4/ From reports from foreign offices of the Foreign Agricultural Service.

will approximately fill Austria's remaining requirements for the current season and will enable Hungary to settle accumulated clearing debts in her trade with Austria. Poland has experienced a considerable improvement in the grain market situation, notably for rye, as a result of apparent reduced supplies of this grain in Europe. Certain observers point out that there has been a considerable increase in the feeding of rye this season. In France the market weakened during the latter half of March and early April as a result of better weather and very little trading, with millers generally abstaining from purchases. The announcement by the Government, however, to export again some quantities of wheat caused an immediate firmness of the market. The official abandonment of fixed prices in Spain caused a significant drop in the market there, although trading activity is expected to pick up with the removal of restrictions.

Table 1.-Rye: Acreage in specified countries 1934-1936 1/

Country	Harvest year		
	1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres
United States 2/	1,942	4,063	3,716
Canada	685	720	3/ 650
Total (2)	2,627	4,783	4,366
Belgium	528	525	525
Bulgaria	451	417	402
Czechoslovakia 4/	2,415	2,461	2,485
France	1,694	1,663	1,636
Germany 4/	5/ 10,931	11,088	10,702
Greece	182	185	203
Latvia 4/	654	658	592
Lithuania 4/	1,216	1,260	1,206
Poland 4/	13,963	14,238	14,315
Rumania	911	960	798
Spain	1,426	1,414	1,471
Yugoslavia 4/	519	542	546
Total (12)	34,890	35,411	34,881
Algeria	3	3	2
Total 15 countries	37,520	40,197	39,249
Russia 4/	58,472	58,500	57,426

Compiled from official sources.
1/ Total acreage except as noted.
2/ Acreage for harvest.
3/ Winter acreage remaining for harvest plus intentions to plant spring rye.
4/ Winter acreage.
5/ Excluding the Saar Territory.

Table 2.-Wheat: Area in specified countries, 1934-1936

Country	Year of harvest 1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres
United States:			
Winter	32,968	31,000	35,932
Spring	9,281	18,826	1/ 22,440
Canada 2/	23,985	24,116	3/ 24,892
Total (2)	66,234	73,942	83,264
Europe:			
Belgium 4/	379	381	382
Czechoslovakia 4/	2,099	2,250	2,212
England and Wales 2/	1,759	1,772	1,684
France 4/	12,863	13,091	12,711
Germany 4/	4,668	4,735	4,614
Greece 2/	1,957	2,020	2,011
Italy 2/	12,274	12,421	5/ 12,355
Latvia 4/	210	211	172
Lithuania 4/	403	414	349
Poland 4/	3,774	3,762	3,748
Portugal 2/	1,344	5/ 1,490	5/ 1,236
Spain 2/	11,386	11,254	10,768
Total (12)	53,116	53,801	52,242
Bulgaria 4/	3,095	2,846	2,596
Hungary 4/	3,850	3,944	6/ 3,954
Rumania 4/	6,919	7,739	6,600
Yugoslavia 4/	5,208	5,354	5,456
Total (4)	19,072	19,883	18,606
Total Europe (16)	72,188	73,684	70,848
Africa:			
Algeria 2/	4,068	4,095	3,892
Morocco 2/	3,018	3,616	3,375
Tunis 2/	1,903	1,829	5/ 1,236
Egypt 2/	1,442	1,463	1,453
Total Africa (4)	10,431	11,003	9,956
Asia:			
India 7/	35,019	33,955	33,646
Total 23 countries	183,872	192,584	197,714
Russia 4/	26,659	31,836	34,721
Estimated Northern Hemisphere, winter and spring total, excluding Russia and China	196,368	192,800	

Compiled from official sources except as otherwise noted.
1/ Acreage indicated by reports of farmers' intentions to plant.
2/ Total acreage.
3/ Winter acreage plus intentions to plant spring wheat.
4/ Winter acreage.
5/ Estimated in the Paris office of the Foreign Agricultural Service.
6/ Estimated in the Belgrade office of the Foreign Agricultural Service.
7/ April estimate.

Table 3.- Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, May 1, 1933-36

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada -				
In Canada	265	254	237	190
In United States	2	2	12	12
Argentina	90	137	97	49
Australia	73	96	66	46
Total	430	489	412	297
United Kingdom port stocks	13	14	11	8
Stocks afloat to -				
United Kingdom	17	12	15	15
Continent	13	9	7	10
Orders	11	10	8	8
Total	54	45	41	41
Total above	484	534	453	338

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for April - July in the case of Canada, April - November in the case of Australia, and April - December in the case of Argentina.

Table 4.- Wheat stocks in the United States on April 1, 1932-36

Item	1932	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
On farms 1/	170.1	181.8	115.6	93.5	97.0
"Commercial" 2/	207.2	135.5	97.1	51.9	51.9
Interior mills & elevators 1/	69.4	95.9	87.3	68.2	52.2
Merchant mills 3/-					
For own account in mills and mill elevators attached to mills	78.5	89.3	86.9	65.2	65.9
For others	12.9	11.0	4.8	6.6	3.3
In transit ("in transit to and bought-to-arrive" by merchant mills)	9.2	11.2	9.6	8.2	7.9
Total stocks	547.3	524.7	401.3	293.6	278.2

1/ Based on returns to the Bureau from crop reporters.
2/ Bureau of Agricultural Economics.
3/ Bureau of Census raised to represent all merchant mills.

Table 5.- Wheat: Closing Saturday prices of May futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	102	103	104	102	116	112	90	89	81	96	4/65	5/94
Low 3/	90	92	90	84	100	90	82	76	69	89	4/54	5/90
Apr. 18	100	102	102	100	110	108	89	83	80	92	64	90
25	100	101	102	99	114	104	88	81	79	92	63	90
May 2	96	98	98	93	112	100	87	78	78	89	62	90
9	93	94	98	88	111	93	87	78	78	89	6/63	90
16	90	94	97	85	109	93	86	77	77	89	6/62	90

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ January 1 to date.
4/ March and May futures.
5/ March, May and June futures.
6/ June futures.

Table 6.- Wheat: Weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	115	108	107	118	121	135	147	123	105	111	88	90
Low 2/	104	87	95	93	111	108	117	103	92	100	81	82
Apr. 18	115	94	107	104	119	124	136	103	100	107	88	85
25	113	98	105	106	121	127	130	110	98	110	86	87
May 2	112	93	103	101	120	121	130	109	98	106	86	84
9	111	92	103	96	119	118	123	103	95	102	85	82
16	109	87	103	93	118	108	117	106	93	100	84	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ January 1 to date.

Table 7.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, March-May 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/7/	Paris 6/8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Mar. 7	108.2	130.0	75.4	90.5	89.0	83.5	228	174	258
14	108.8	124.7	76.7	90.9	90.9	83.3	227	188	257
21	105.2	124.2	75.8	90.6	89.4	84.3	227	181	---
28	102.4	117.9	74.1	90.0	88.4	85.2	226	182	256
Apr. 4	101.8	115.5	72.6	89.8	90.1	85.1	228	176	---
11	99.0	123.0	72.9	89.8	90.2	85.0	228	172	254
18	103.8	124.0	75.2	90.1	91.0	86.0	228	174	
25	106.0	127.2	75.8	90.0	91.5	87.0	228	174	
May 2	100.8	121.3	73.7	89.8	87.9	88.2	228	172	
9	96.0	117.9	72.0	89.8	89.6		231	172	
16	93.3	108.4	71.3	90.1	89.5				

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange. 1/ No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring. 3/ No. 3 Manitoba Northern. 4/ Near futures. 5/ Home-grown wheat in England and Wales. 6/ Domestic. 7/ Central German wheat, wholesale trade price free Central German Station. 8/ Free market prices from January 1, 1935.

Table 8.- Durum wheat: Acreage and production, western Mediterranean countries, average 1930-34, and annual, 1935 and 1936

Country	Acreage			Production		
	1930-34	1935	1936	1930-34	1935	1936
	1,000 acres	1,000 acres	1,000 acres	1,000 bushels	1,000 bushels	1,000 bushels
Spain ...	2,246	2,251	2,000	31,618	30,791	24,600
Portugal	462	521	450	6,342	8,194	3,200
Italy ...	3,771	3,892	3,800	58,058	55,850	56,200
Morocco .	2,179	2,785	2,471	20,734	13,885	21,500
Algeria .	3,022	3,091	3,052	22,593	24,453	22,800
Tunisia .	1,745	1,507	1,013	9,134	11,023	6,800
Total .	13,425	14,027	12,786	148,479	144,196	135,100

Based on estimates from the Paris office of the Foreign Agricultural Service.

Table 9.- United States: Exports of wheat and wheat flour, 1934-35 and 1935-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July-March ..	2,979	235	3,117	2,476	17,630	11,874
Week ended						
Apr. 4	0	0	39	53	183	249
11	12	0	35	24	176	113
18	0	9	27	29	127	145
25	0	0	27	17	127	80
May 2	0	0	24	33	113	155
9	19	13	39	23	202	121
16	0	0	34	31	160	146
Total, July 1-May 16	3,010	257	3,342	2,686	18,718	12,883

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 10.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1-Mar. 28	141,520	64,700	85,300	85,760	624	7,936	122,944	153,072
Week ended								
Apr. 4	5,080	1,220	1,224	3,952	0	0	2,696	3,672
11	3,496	1,296	2,568	2,392	0	72	2,736	3,280
18	2,832	376	3,664	1,940	0	16	2,952	3,312
25	2,344	884	1,688	1,376	8	144	2,736	2,992
May 2	2,828	1,148	2,192	1,476	0	0	2,608	6,008
9	5,608	952	1,760	1,852	472	0	3,416	6,680
16	3,584	1,132	1,524	2,362	184	0	4,176	4,832
Total, July 1-May 16	167,292	71,708	99,920	101,110	1,288	8,168	144,264	183,848

Compiled from Broomhall's Corn Trade News.

Table 11.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	27,377	17,630	11,874	Mar. 31
Canada	267,342	198,555	169,630	151,852	141,215	172,574	Mar. 31
Argentina	120,272	144,854	187,000	114,494	158,824	68,314	Apr. 30
Australia	148,552	86,509	108,010	61,238	71,232	64,614	Feb. 29
Russia	19,676	33,787	4,286	26,803	3,406	27,080	Dec. 31
Hungary	7,010	29,615	12,499	15,969	5,580	7,902	Dec. 3
Yugoslavia	1,162	839	4,401	434	3,394	124	Feb. 29
Rumania	179	248	3,432	242	0	9,996	Feb. 29
Bulgaria	3,144	4,236	375	2,996	7	943	Jan. 31
British India	2,169	2,084	2,318	1,274	1,496	1,462	Jan. 31
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-May 9	
	1933-34	1934-35	Apr. 25	May 2	May 9	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/ ..	220,616	168,712	2,992	6,008	6,680	140,088	179,016
Canada, 4 markets 2/	194,213	176,059	1,599	1,320	5,940	156,272	201,695
United States	37,002	21,532	80	155	121	19,224	10,401
Argentina	140,128	186,228	884	1,148	952	163,708	70,576
Australia	90,736	111,628	1,376	1,476	1,852	98,396	98,748
Russia	26,656	1,656	0	232	280	1,656	29,816
Danube & Bulgaria 3/	15,872	4,104	144	0	0	1,104	8,168
British India	4/2,084	4/2,318	0	0	0	312	256
Total 5/	496,092	474,646				405,264	386,580
Total European shipments 1/ ...	401,560	387,752	5,384	7,680		331,920	305,680
Total ex-European shipments 1/ ...	123,352	142,424	1,784	2,216		117,904	117,728

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.

Table 12.- Wheat, including flour: net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Preliminary forecast 1935-36 (unofficial)	Net imports reported July 1 to	1934-35	1935-36
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	7 - 9	Dec. 31	4	4
Belgium	43	40	40 - 44	Dec. 31	24	20
Czechoslovakia	1/	1	3 - 3			
Denmark	12	19	9 - 11	Mar. 31	16	6
Estonia	2/	2/	0 - 0			
Finland	4	4	3 - 5	Feb. 29	3	2
France	18	3/ -17	4 - 6	Jan. 31	3/ - 4	7
Germany	3/ - 4	11	2 - 3	Mar. 31	10	2/
Greece	12	13	10 - 12	Dec. 31	5	8
Irish Free State	19	18	16 - 17	Mar. 31	13	11
Italy	8	10	12 - 15			
Latvia	0	1/	-1 - -2	Feb. 29	1/	3/ - 2
Lithuania		1/	-1 - -2			
Netherlands ...	24	19	22 - 24	Apr. 30	17	17
Norway	9	9	7 - 9	Mar. 31	6	6
Poland	3/ - 2	3/ - 4	-4 - -4	Mar. 31	3/ - 2	3/ - 6
Portugal	1	1	-6 - -8	Feb. 29	2/	2/
Spain	1/	1/	0 - 0	Jan. 31	1/	2/
Sweden	2	3/ - 2	-2 - -2	Mar. 31	1/	3/ - 2
Switzerland ...	18	18	16 - 18	Feb. 29	12	11
United Kingdom	216	202	210 - 215	Feb. 29	131	131
Total imports	397	375	361 - 391			
Total exports	6	23	-14 - -18			
Total, net imports ..	391	352	347 - 373		235	213

Compiled from official sources.
1/ Net exports of less than 500,000 bushels.
2/ Less than 500,000 bushels.
3/ Net exports.

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WORLD WHEAT PROSPECTS

Summary

The world's wheat crop outside of Russia and China in the 1936-37 season now appears likely to be about 2 percent larger and the total supply about 5 percent less than in 1935-36, if the per-acre yields in the Southern Hemisphere turn out to be about average, according to the Bureau of Agricultural Economics. On the basis of crop conditions to date, production in the Northern Hemisphere is expected to be about the same as a year ago, with a moderate increase in North America, a small decrease in Europe excluding Russia, a small decrease in Africa, and a moderate increase in Asia, excluding Russia and China. These estimates are based primarily on information from foreign offices of the Foreign Agricultural Service and the International Institute of Agriculture. Average yields in Argentina and Australia would result in about a 23 percent increase in production in the Southern Hemisphere countries over the extremely small outturn of last year. Reports of crop condition in Soviet Russia in general are favorable except that the eastern spring wheat region is very dry. In China the crop is estimated to be about 10 percent larger than last year. Continued high temperatures and drought in the Spring Wheat Belt of the United States and a rainy summer in Europe following a wet spring would reduce current estimates of production which are based on conditions to date and average conditions for the rest of the growing season.

World stocks of old wheat, excluding Russia and China, as of July 1, 1936 seem likely to be reduced about 225,000,000 bushels below a year ago, but this will still be somewhat above the 1923-27 average. If the estimated

2 percent increase in world production or an increase of about 75,000,000 bushels, is realized, the world's wheat supply for the 1936-37 season would be about 150,000,000 bushels less than that of the previous season, and result in a reduction in world carry-over for the fourth consecutive year. World wheat prices might accordingly be expected to be higher in 1936-37 than in 1935-36 unless production in the Southern Hemisphere is significantly greater than average.

If present wheat prospects in the United States materialize, supplies for the 1936-37 season are expected to be no larger than would be required for annual domestic consumption and for supplementing domestic carry-over stocks. Under the circumstances domestic prices might be expected to remain about as high relative to Liverpool as they have during the past three seasons when United States crops were small. With the deterioration of the hard spring wheat crop and a small production of hard red winter wheat in prospect, continued unfavorable conditions in the spring wheat area might again necessitate hard wheat and durum imports.

Wheat Acreage

The wheat area for harvest in 1936 in the 24 countries for which reports are available is now estimated at 198,197,000 acres or an increase of 2.1 percent over last year when they reported 194,049,000 acres. These countries 1/ in 1935 represented about 92 percent of the total wheat acreage in the Northern Hemisphere, exclusive of Russia and China. The increase this year is almost entirely in the United States. Both Europe and Africa show a decrease.

The official estimate of the spring wheat acreage in Canada has not yet been released. Private reports, however, estimate that the acreage will be somewhat smaller than indicated by "intentions-to-plant", due to unfavorable weather and shortage of good seed in some regions. Farmers' intentions indicated an increase of about 3 percent over last year when 23,560,600 acres were planted.

Reports of the winter sowings in Europe excluding Russia, are still incomplete and estimates of spring seedings are available for only a few countries. In the 17 countries for which reports have been received the

1/ See table 5.

acreage is estimated at 71,383,000 acres compared with 74,668,000 acres last year, or a decrease of 4.4 percent. These countries represented in 1935, almost 95 percent of the total European acreage excluding Russia. The largest reductions in acreage are noted in Spain, Rumania, France, and Portugal. While the acreage in the Danube Basin shows a significant decrease from last year, all of which is in Rumania, a much larger crop than last year is indicated by current favorable prospects resulting from a favorable growing season.

The winter wheat area sown in the Soviet Union increased from 32,506,000 acres in 1935 to 34,721,000 acres this season. The area sown to spring wheat, according to the official report as of May 31, exceeded the plan by 4 percent and was 63,139,000 acres, compared with 60,784,000 acres of spring wheat seeded last year. In view of a marked delay in sowing during April, because of cold and unfavorable weather, it seems quite likely that more grain has been seeded this year after the "optimum periods" than in either of the past two seasons.

The acreage in North Africa represents a reduction of about 8 percent from that of last year. India reports a decrease from last year in both acreage and production.

Crop Prospects

United States.-The small winter wheat crop, indicated by June 1 conditions at only 482,000,000 bushels, directs attention to the development of the spring wheat crop which has been deteriorating recently. Applying the yield per acre indicated by the relation of June 1 condition, and yield in past years to the acreage of spring wheat as reported in the March intentions report suggests a 1936 production of all spring wheat in the neighborhood of 200,000,000 bushels. Continued high temperatures and drought conditions since June 1 have subsequently reduced prospects well below this figure. Conditions on June 22 are recognized as critical in central and western North and South Dakota. The northern tier of counties in North Dakota is still in fair condition and eastern and southeastern South Dakota are reported to be good. The balance of Minnesota outside of the west-central section, which is very dry, has enough moisture to carry the crop for some time. Several sections in eastern and south-central Montana are suffering from drought but conditions in the northwestern part around Great Falls are fair to good. The condition of the crop in the principal grain areas of eastern Washington and northern Idaho, on the other hand, are reported to be excellent.

Canada.-The official condition figure for spring wheat in Canada as of May 31, expressed as a percentage of the long-time average, was 95. Beneficial rains have been received since that time but two dry spells are showing their effects. Late sown crops are generally described as uneven and patchy, suffering from the lack of rain during germination and stooling. According to the official report dated June 24, light crops are expected in southwestern Manitoba, in the extreme southeastern part and most of the western part of Saskatchewan and in east-central and northeastern Alberta. Over the remaining area growth has been fairly normal.

Europe.-Conditions in Europe now suggest a reduction of about 20,000,000 bushels from the production of last year. Prospects are poorest in Spain, Portugal, and France. The official estimate for Spain is 120,000,000 bushels

compared with 153,951,000 in 1935. The crop in Portugal is expected to be at least 20 percent less than last year's outturn of 15,900,000 bushels. Reports on conditions in France are conflicting but seem to indicate a crop of from 10,000,000 to 25,000,000 bushels smaller than last year, when 278,767,000 bushels were produced. The Italian crop which is also below last year, is estimated by the Paris office of the Foreign Agricultural Service at 275,000,000 bushels compared with 283,455,000 in 1935. Prospects are best in the Danubian countries and Poland, and indicate an aggregate production between 15 and 20 percent greater than last year. The official estimate for Bulgaria is 55,776,000 bushels compared with 47,925,000 in 1935. Prospects in other countries indicate a production 2 percent smaller than in 1935.

North Africa.-The International Institute of Agriculture reports the crop in Morocco at 25,426,000 bushels compared with 20,036,000 bushels in 1935. Prospects in Algeria indicate a crop not greatly different from last year. Prospects in Tunisia are poor.

Soviet Russia.-Prospects in Russia are generally favorable except that drought condition in the eastern spring wheat region is causing considerable concern. If unfavorable weather persists in this area it would reduce Russia's chance to export significant quantities of wheat this coming season.

Argentina.-Wheat seeding is well advanced in many sections but progress has been retarded recently by general rains. Conditions continue to appear favorable, with weather conditions enabling the sowing of a full acreage. The relatively high minimum price of wheat is expected to influence an increased acreage, although the Government has indicated on various occasions that it should not be inferred that the present minimum price will continue into another growing season.

Australia.-Following insufficient moisture during May, rains in June have checked deterioration in dry areas and assisted germination. Condition is now considered favorable.

World Stocks

The surplus of wheat available for export or carry-over in the principal exporting countries as of June 1 is estimated to be 263,000,000 bushels this year compared with 370,000,000 bushels in 1935 and 451,000,000 in 1934. The addition of United Kingdom port stocks and quantities afloat results in a total of 304,000,000 bushels compared with 415,000,000 bushels last year and 495,000,000 bushels 2 years ago. As pointed out in the May issue of World Wheat Prospects, April 1 stocks in Canada seem to indicate that the Canadian estimate of production was underestimated by perhaps 15,000,000 bushels. If this is realized, it would cause the surplus in Canada, and also the total surplus for the three principal countries to be increased accordingly. Table 6 shows stocks figures for the last 3 years.

On the basis of shipments to date the Canadian figure might be expected to be reduced from 179,000,000 on June 1 to 150,000,000 on July 1, the Argentine figure to 40,000,000 bushels and the Australian to about 32,000,000 bushels. Port stocks and afloat probably will not be much different than on June 1. Stocks in Danubian countries will likely be larger

than a year ago and stocks in North Africa smaller. Estimates for importing continental Europe received to date are incomplete and not much reliance can be placed on those which have been received. Figures for the principal exporting countries and such other information as is available seem to indicate a reduction in world stocks, excluding Russia and China, as of July 1 of about 225,000,000 bushels from the stocks of a year ago.

Stocks of this size on July 1 would be moderately above the average prior to 1928, but the excessive supplies carried over for several years will have been largely eliminated. The reduction in stocks has been due to three unusually small crops in the United States and Canada, two small crops in Australia and a very small outturn in Argentina last year. Current crop prospects indicate a further moderate reduction in stocks in 1936-37.

The remaining export surplus in the Danube Basin is estimated at about 11,000,000 bushels and total exports for the 1935-36 season are reported to date at about 19,840,000,000 bushels. Czechoslovakia expects a rather large carry-over of wheat at the end of the season. Information as to stocks in Spain is not available, but it seems likely that there will be a sufficient surplus with the new crop to provide an adequate supply during the coming season. Carry-over in Portugal appear sufficient to assure ample supplies for the coming season in spite of greatly reduced crop prospects. It is becoming increasingly evident that supplies of both wheat and rye in Germany will be greatly reduced, largely because of increased feed requirements. Accordingly, it is quite likely that imports of both wheat and rye will be necessary during the coming season, unless crop prospects turn out better than are now indicated. Italy is expected to continue on an import basis during the coming season.

Present prospects indicate that Morocco will have a small surplus of bread wheat for France, and Algeria some supplies of both bread and durum wheat; while in Tunisia the net surplus for export will be small. The greatest decrease in Tunisia is said to be in durum which is the predominant type in the more southern area where drought has been most severe. It is likely that bread wheat will be exported somewhat freely from Tunisia with perhaps compensating imports from Algeria because the better grades of Tunisian wheat are rich in gluten and are in demand by French millers.

Prices

Wheat prices in domestic markets declined generally from the last of April to the middle of May, influenced by rains in the winter wheat areas and a decline in world prices. The latter decline was largely caused by selling pressure of Canadian and Australian wheats, weak European demand, and some improvement in European crop prospects. The continued high temperatures and lack of moisture over a large part of the spring wheat area served to check the decline, and finally in mid-June was responsible for a sharp advance in all prices. All grades and classes of wheat in the six important markets 2/, after averaging 98.2 cents per bushel for the week ended April 25, declined to 87.4 cents the week ended May 16, then recovered

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2/ Tables 2, 3, and 4 show wheat prices at each of the important domestic markets as well as world markets for recent weeks.

to 90.6 cents the week ended June 6, and finally advanced to 96.8 cents for the week ended June 20. The United States average farm price of wheat as of May 15 was 82.3 cents per bushel compared with 86.3 cents a month earlier and 87.8 cents a year earlier.

Due to the rapid deterioration of the crop in the spring wheat area, it now appears likely that prices in the United States in 1936-37 may be approximately as high relative to world prices as during the past 3 years when the domestic crops were short. The price of No. 2 Hard Winter wheat at Kansas City, which averaged 97.6 cents a bushel from July 1933 through May 1936, was 18 cents above the average price of wheat parcels at Liverpool for the same period. For the week ended June 20, No. 2 Hard Winter at Kansas City was probably only about 9 cents over the price of wheat parcels at Liverpool; for the corresponding week in 1935 it was 11 cents over Liverpool. If the spring wheat crop continues to deteriorate, production may be expected to be below domestic requirements and necessitate the importation of some hard wheat and durum. The winter wheat crop is large enough to provide for only a moderate excess which might be used by millers in the place of hard red spring wheat. The new crop appears to have an adequate supply of soft wheats.

The Effect of Weather Conditions on Spring Wheat Yields in the United States

Spring rainfall as well as precipitation last fall has been considerably below normal in the four principal spring wheat states. In Table 1 precipitation for the last 3 years by months, is compared with normal precipitation for these states. Applying these data as of June 19 to North Dakota and Montana correlation analyses 3/ of weather and yields and assuming that weather conditions for the rest of June and for July will have their average influence upon wheat yields, we arrive at a calculated yield for North Dakota of approximately 4.9 bushels and for Montana 10.4 bushels.

Weather conditions during the rest of the season will be of prime importance in affecting the final outturn of the crop in all the spring wheat states. In the North Dakota study the relative importance of the five weather factors was as follows: First, June temperature; second, April-May precipitation; third, July temperature; fourth, July precipitation; and fifth, September-October precipitation. In the case of the Montana study, however, the order of importance was slightly different: First, July temperature; and, second, June temperature. Both April-May precipitation and July precipitation were indicated to be of equal importance and were next below June temperature, whereas September-October precipitation was of much smaller significance. The relative importance of the weather factors as given above relate to the periods of years covered in the respective studies. The North Dakota study covered the period 1900-28, whereas the Montana study covered the period 1919-33.

Based on the same curvilinear regressions and on final published weather data a calculated yield for North Dakota 4/ of 1.7 bushels was arrived at for 1934. This compared with a yield as estimated by the Crop Reporting Board

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3/ Analyses made by Mr. E. J. Working.

4/ North Dakota: Index of curcilinear correlation was .956 and coefficient of linear correlation .921.

of 2.4 bushels per acre. The Montana study 5/ applied to the 1934 weather conditions indicated an average yield of all spring wheat of 8.3 bushels per acre compared with a yield on the seeded area of 7.1 bushels per sown acre.

In terms of the acreage of spring wheat reported in the March intentions the yields per acre indicated by the correlation analysis would result in a production figure for North Dakota of about 48,000,000 bushels and for Montana of 35,000,000 bushels. In 1935 North Dakota produced 54,000,000 bushels and Montana 25,000,000 bushels while in 1934 these States produced 21,000,000 and 19,000,000 bushels, respectively. In 1935 yields were reduced by black rust and in 1934 by drought.

Table 1.-Precipitation in four states, compared with normal 1933-34 to 1935-36

State, year and item	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May 1/	June 1/	July	Aug.
	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches	Inches
N. Dak.-												
Normal 2/	1.58	1.06	0.62	0.52	0.48	0.46	0.78	1.42	2.32	3.43	2.50	2.07
1933-34	0.79	0.53	0.65	0.88	0.20	0.06	0.49	0.44	0.35	3.04	1.22	1.15
1934-35	0.96	1.01	0.28	0.30	0.41	0.20	1.26	1.93	2.66	3.01	4.62	2.34
1935-36	0.44	0.16	0.75	0.51	0.56	0.70	0.82	0.39	0.80	0.72		
S. Dak.-												
Normal 2/	1.67	1.29	0.67	0.57	0.54	0.56	1.11	2.06	3.10	3.53	2.60	2.29
1933-34	1.21	0.12	0.24	0.56	0.24	0.18	0.93	0.54	0.69	3.35	1.88	1.32
1934-35	2.11	1.27	0.47	0.30	0.22	0.58	1.25	3.61	2.85	2.97	2.02	1.80
1935-36	0.45	0.24	0.53	0.56	0.65	0.69	0.78	1.28	1.67	1.20		
Minn.-												
Normal 2/	2.88	1.96	1.17	0.79	0.75	0.74	1.19	2.04	3.25	4.06	3.36	3.18
1933-34	3.07	1.44	0.85	1.08	0.55	0.24	0.71	1.12	0.99	4.02	2.24	2.07
1934-35	3.41	2.60	1.43	0.95	1.22	0.28	1.52	2.38	2.39	4.76	3.82	4.52
1935-36	1.32	1.81	1.07	0.78	0.76	1.41	1.50	1.30	2.52	1.36		
Mont.-												
Normal 2/	1.36	1.03	0.98	0.88	0.88	0.69	0.95	1.14	2.32	2.50	1.48	1.14
1933-34	0.85	1.49	0.71	2.05	0.72	0.28	1.27	0.49	0.67	2.99	0.74	0.33
1934-35	1.13	1.14	0.55	0.91	0.87	0.19	1.28	1.12	1.66	1.49	1.63	0.62
1935-36	0.30	0.81	0.55	0.37	1.02	1.32	0.72	0.82	1.07	1.20		

1/ Preliminary estimates for Montana for May and for all four states for first 19 days of June.

2/ Normals are those last published in reports on Climatological Data for the various states.

5/ Montana: Index of curvilinear correlation was .979 and coefficient of linear correlation .950.

New Governmental Measures in Europe 6/

Governmental and other organizational measures during May in European countries were limited in number and largely confined to routine changes and modifications in previously enacted control. No very significant developments in governmental policy were announced although some changes may be expected as soon as new crop prospects become more apparent. In Czechoslovakia discussions continue with respect to the Grain Monopoly and modifications in its organization. For the present, Denmark is prohibiting the importation of feed wheat, barley and oats in an endeavor to use up domestic barley stocks; foreign bread grains and corn for feeding purposes may continue to be imported, subject to import regulations. The proposed changes in grain policy in Sweden which were reviewed last month have not yet been enacted and present discussions and proposed amendments indicate that the original bill may be considerably revised.

Bulgaria has abolished its Government Grain Bureau and established a Bread Grain Monopoly which is to be a permanent and autonomous institution. It will have the exclusive right of purchasing and selling wheat, rye and maslin for home consumption and export and also will be entitled to deal in several other agricultural products on a competitive basis. Rumania expects to continue the wheat measures in force last year, which system included stabilization purchases at fixed prices by the Central Marketing Cooperative. In Portugal it appears that prices to be paid to producers for the new crop will be reduced. The increase in production stimulated by good returns is now to be discouraged. Portugal announced subsidized exports of 11,000,000 bushels during the winter months but as crop prospects declined steadily it was decided to move only a part of the stock, with the result that only some 5,500,000 bushels were exported.

The Continental European Wheat Market Situation during May 6/

European takings of foreign wheat during May were largely restricted to current needs with an apparent feeling that, despite the concentration of available supplies in Canada, the Canadian Wheat Board would maintain a liberal selling policy. Australian wheat, which has been quite popular in European importing markets this season in the absence of Argentine offerings, continued to be in good demand. Some quantities of Swedish and French wheat were offered and some Hungarian wheat was arranged for in compensation trades by European countries, notably Switzerland and Greece. Rumanian and Russian wheat offers were very scarce.

In Germany the wheat market continued to be characterized by a very active demand for good quality wheat. There is still a good supply of poorer grade soft domestic wheat. Grain markets in both Sweden and Denmark were firm and largely influenced by government measures. The agricultural committee in Sweden has approved additional exports amounting to 25,000 tons of rye and wheat if this can be done without endangering the domestic supply and reserve. Although the statistical position of wheat in France was

6/ From reports from foreign offices of the Foreign Agricultural Service.

strong, the market continued rather weak and inactive. The hope for improved market conditions as a result of the export authorizations announced a month earlier by the Ministry of Agriculture did not materialize. Buying was very light because millers and bakers were largely supplied with purchases made in February and March. Italy imported some wheat, notably from Australia.

During May all Danubian countries were concerned with the disposal of at least a part of the existing surpluses before the expected large 1936 crop is harvested. An agreement between Hungary and Switzerland was negotiated for 1,500,000 bushels to be delivered before the end of July. Bulgaria also exported some quantities to western Europe.

Table 2.-Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, April-June 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/7/	Paris 6/8/	Milan 6/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Apr. 4	101.8	115.5	72.6	89.8	90.1	85.1	228	176	---
11	99.0	123.0	72.9	89.8	90.2	85.0	228	172	254
18	103.8	124.0	75.2	90.1	91.0	86.0	228	174	
25	106.0	127.2	75.8	90.0	91.5	87.0	228	174	
May 2	100.8	121.3	73.7	89.8	87.9	88.2	228	172	
9	96.0	117.9	72.0	89.8	89.6	89.8	231	172	
16	93.3	108.4	71.3	90.1	89.5	89.8	230	169	
23	93.7	112.2	69.9	90.0	87.0	91.0	230	167	
30	90.5	114.4	68.6	90.1	84.4	91.2	230	165	
June 6	91.3	119.5	71.1	90.8	85.7	90.6	232	165	
13	89.4	118.2	71.2	91.3	85.3		232	176	
20	95.7	123.6	73.9	91.9	88.3				

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin, Paris, and Milan prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, Paris, and Milan are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Domestic.
7/ Central German wheat, wholesale trade price free Central German Station.
8/ Free market prices from January 1, 1935.

Table 3.-Wheat: Closing Saturday prices of July futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/ ..	101	94	101	93	111	109	90	84	84	94	4/65	5/92
Low 3/ ...	79	84	78	79	91	90	82	74	76	84	4/59	5/90
May 23 ...	88	85	87	81	103	92	87	75	77	86	4/60	4/90
29 ...	83	84	83	80	96	94	82	76	76	86	4/59	4/90
June 6 ...	84	84	83	79	98	93	83	77	80	86	4/60	4/91
13 ...	79	85	78	80	91	97	82	77	77	85	59	4/91
20 ...	80	94	78	93	91	109	82	83	79	92	60	4/92

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ April 1 to date.
4/ June futures.
5/ June and July futures.

Table 4.-Wheat: Weekly weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk. N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/ ...	113	98	107	106	121	127	138	115	100	110	88	87
Low 2/	93	87	85	89	102	108	100	103	85	95	73	78
May 23 . .	110	94	100	94	117	112	119	108	92	101	82	81
30 ...	102	90	94	91	109	114	108	107	88	100	78	78
June 6 ...	101	90	91	91	108	120	105	104	86	100	75	78
13 ...	96	91	89	89	106	118	104	105	86	95	73	78
20 ...	93	96	85	96	102	124	100	115	85	97	73	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ April 1 to date.

Table 5.-Wheat: Acreage in specified countries, 1934-36 1/

Country	Year of harvest 1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres
United States:			
Winter	32,968	31,000	35,932
Spring	9,281	18,826	2/ 22,440
Canada	23,985	24,116	3/ 24,892
Total (2)	66,234	73,942	83,264
Europe:			
Belgium	371	380	383
Czechoslovakia 4/	2,099	2,250	2,217
England and Wales	1,759	1,772	1,684
France	13,202	13,234	12,711
Germany 4/	4,668	4,735	4,613
Greece	1,957	2,020	2,011
Italy	12,274	12,421	5/ 12,355
Latvia 4/	210	210	172
Lithuania 4/	403	414	349
Luxemburg 4/	33	43	43
Poland 4/	3,774	3,756	3,748
Portugal	1,344	5/ 1,490	5/ 1,198
Spain	11,386	11,254	10,131
Total (13)	53,480	53,979	51,615
Bulgaria	3,114	2,729	6/ 2,780
Hungary	3,799	4,005	6/ 4,015
Rumania	7,609	8,495	6/ 7,413
Yugoslavia	5,002	6/ 5,461	6/ 5,560
Total (4)	19,524	20,690	19,768
Total Europe (17)	73,004	74,668	71,383
Africa:			
Algeria	4,068	4,049	5/ 4,040
Morocco	3,018	3,616	5/ 3,336
Tunis	1,903	1,829	5/ 1,221
Egypt	1,442	1,463	1,453
Total Africa (4)	10,431	10,957	10,050
Asia:			
India 7/	35,799	34,482	33,500
Total 24 countries	185,468	194,049	198,197
Russia 4/	26,659	30,782	34,721
Estimated Northern Hemisphere, winter and spring total, excluding Russia and China	205,600	211,700	

Compiled from official sources except as otherwise noted.
1/ Total, winter and spring unless otherwise specified.
2/ Acreage indicated by reports of farmers' intentions-to-plant.
3/ Winter acreage plus intentions to plant spring wheat.
4/ Winter acreage.
5/ Estimated in the Paris Office of the Foreign Agricultural Service.
6/ Estimated in the Belgrade Office of the Foreign Agricultural Service.
7/ May estimate.

Table 6.- Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, June 1, 1933-36

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada				
In Canada	241	233	223	166
In United States	5	5	9	13
Argentina	75	123	81	45
Australia	61	90	57	39
Total	382	451	370	263
United Kingdom port stocks	13	14	10	10
Stocks afloat to				
United Kingdom	20	10	15	14
Continent	11	10	10	9
Orders	9	10	10	8
Total	53	44	45	41
Total above	435	495	415	304

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for April-July in the case of Canada, April-November in the case of Australia, and April-December in the case of Argentina.

Table 7.- Wheat: Stocks in specified continental European countries, April 15 and May 15, 1935 and 1936

Position	1935		1936	
	Apr. 15	May 15	Apr. 15	May 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports				
Antwerp	2,950	2,921	1,496	1,525
Rotterdam	1,102	919	228	217
United Kingdom (wheat and flour) 1/	12,089	10,802	8,488	9,847
Germany				
Berlin (wheat and flour) 1/	3,068	3,108	2,903	2,572
"Second-hand" stocks (wheat & flour) 1/2/	73,255	68,732	54,928	48,226
Farm stocks 1/	25,463	17,306	26,859	17,453
Other				
Swedish mill stocks of wheat 1/	3,935	3,979	3,575	3,712

1/ First of the month.
2/ In warehouses and flour mills. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin and Hamburg data.
3/ Preliminary.

Table 8.- Wheat, including flour: Movement from principal exporting countries, 1932-33 to 1935-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	32,861	18,911	13,298	Apr. 30
Canada	267,342	198,555	169,630	178,145	161,202	209,747	May 31
Argentina	120,272	144,854	187,000	114,494	158,824	68,314	Apr. 30
Australia	148,552	86,509	108,010	68,154	82,060	78,128	Mar. 31
Russia	19,676	33,787	4,286	32,135	3,819	28,816	Mar. 31
Hungary	7,010	29,615	12,499	23,574	8,855	10,310	Mar. 31
Yugoslavia	1,162	839	4,401	536	3,888	142	Mar. 31
Rumania	179	248	3,432	242	0	9,996	Mar. 31
Bulgaria	3,144	4,236	375	3,988	7	954	Mar. 31
British India	2,169	2,084	2,318	1,449	1,627	1,599	Feb. 29
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-June 13	
	1933-34	1934-35	May 30	June 6	June 13	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/ ..	220,616	168,712	5,552	6,400	6,912	157,560	209,776
Canada, 4 markets 2/	194,213	176,059	3,569	6,999	3,490	171,575	235,374
United States	37,002	21,532	94	85	202	20,772	12,796
Argentina	140,128	186,228	560	1,456	936	180,996	75,892
Australia	90,736	111,628	1,796	1,540	1,264	108,696	107,604
Russia	26,656	1,656	0	120	0	1,672	30,224
Danube & Bulgaria 3/	15,872	4,104	0	0	0	3,032	8,168
British India	4/2,084	4/2,318	16	0	48	312	320
Total 5/	496,092	474,646				452,164	431,643
Total European shipments 1/ ...	401,560	387,752	6,776	7,464		374,616	343,400
Total ex-European shipments 1/ ...	123,352	142,424	1,952	3,056		143,802	129,664

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.

Table 9.-Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-35 and 1935-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1-May 2	158,100	69,624	96,636	96,896	632	8,168	136,672	172,336
Week ended-								
May 9	5,608	952	1,760	1,852	472	0	3,416	6,680
16	3,584	1,136	1,524	2,384	184	0	4,288	5,216
23	3,720	1,228	3,856	1,872	600	0	4,480	6,680
30	3,576	560	2,056	1,796	128	0	4,864	5,552
June 6	3,360	1,456	1,204	1,540	696	0	1,880	6,400
13	3,048	936	1,660	1,252	320	0	1,856	6,583
Total, July 1-June 13	180,996	75,892	108,696	107,592	3,032	8,168	157,456	209,447

Compiled from Broomhall's Corn Trade News.

Table 10.-United States: Exports of wheat and wheat flour, 1934-35 and 1935-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July-Apr.	3,009	251	3,383	2,776	18,911	13,298
Week ended-						
May 9	19	13	39	23	202	121
16	0	0	34	26	160	122
23	0	1	17	22	80	104
30	1	0	25	20	119	94
June 6	0	0	28	18	132	85
13	0	0	64	43	301	202
Total, July 1-June 13	3,029	265	3,590	2,928	19,905	14,026

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 11.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	Net imports reported				
	1933-34	1934-35	July 1 to	1934-35	1935-36
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	Mar. 31	6	6
Belgium	43	40	Mar. 31	32	29
Czechoslovakia..	1/	1	Apr. 30	2/	1
Denmark	12	19	Apr. 30	17	7
Estonia	2/	2/			
Finland	4	4	Apr. 30	3	3
France	18	3/ -17	Mar. 31	3/ -8	6
Germany	3/ -4	11	Apr. 30	10	2/
Greece	12	13	Mar. 31	8	10
Irish Free State	19	18	Apr. 30	14	12
Italy	8	10			
Latvia	0	1/	Mar. 31	1/	3/ -2
Lithuania		1/			
Netherlands ...	24	19	May 31	19	19
Norway	9	9	Apr. 30	7	7
Poland	3/ -2	3/ -4	Apr. 30	3/ -3	3/ -7
Portugal	1	1	Mar. 31	2/	2/
Spain	1/	1/	Mar. 31	1/	2/
Sweden	2	3/ -2	Apr. 30	3/ -1	3/ -2
Switzerland ...	18	18	Mar. 31	13	12
United Kingdom..	216	202	Apr. 30	165	166
Total, net imports	391	352		282	267

Compiled from official sources.
1/ Net exports of less than 500,000 bushels.
2/ Less than 500,000 bushels.
3/ Net exports.

Table 12.-Wheat: World supply, price and disappearance, 1921-22 to 1935-36

Year	Production						
	United States	Canada	Argentina	Australia	Europe 1/	All other 2/	World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22 ...	819	301	191	129	1,224	515	3,179
1922-23 ...	847	400	196	109	1,045	606	3,203
1923-24 ...	759	474	248	125	1,257	656	3,519
1924-25 ...	840	262	191	165	1,058	610	3,126
1925-26 ...	669	395	191	115	1,397	613	3,380
1926-27 ...	834	407	230	161	1,216	647	3,495
1927-28 ...	875	480	282	118	1,274	644	3,673
1928-29 ...	913	567	349	160	1,410	596	3,995
1929-30 ...	822	305	163	127	1,451	705	3,573
1930-31 ...	890	421	232	214	1,360	734	3,851
1931-32 ...	932	321	220	191	1,436	756	3,856
1932-33 ...	746	443	241	214	1,492	718	3,854
1933-34 ...	529	282	286	177	1,749	767	3,790
1934-35 3/	497	276	241	133	1,549	788	3,484
1935-36 3/	603	277	144	142	1,566	779	3,511

Year	Shipments from Russia	Stocks accounted for July 1 4/	Total supply	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents
1921-22 ...	5/	314	3,493	3,203		120
1922-23 ...	1	290	3,494	3,191	136	113
1923-24 ...	21	303	3,843	3,495	121	105
1924-25 ...	6/	348	3,474	3,192	179	135
1925-26 ...	27	282	3,689	3,401	170	163
1926-27 ...	49	288	3,832	3,496	164	135
1927-28 ...	5	336	4,014	3,592	154	135
1928-29 ...	6/	422	4,417	3,800	129	112
1929-30 ...	7	617	4,197	3,614	131	120
1930-31 ...	112	583	4,546	3,877	80	76
1931-32 ...	72	669	4,597	3,901	59	47
1932-33 ...	20	696	4,570	3,781	54	51
1933-34 ...	34	789	4,613	3,872	69	88
1934-35 3/	4	741	4,229	3,697	80	98
1935-36 3/	50	532	4,093			

1/ Excludes Russia. 2/ Excludes Russia and China. 3/ Preliminary.
4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia, and Canada, the United Kingdom port stocks and supplies afloat. 5/ Not available. 6/ Less than 500,000 bushels.

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July 31, 1936

WORLD WHEAT PROSPECTS

Summary

World wheat supplies outside of Russia and China in the 1936-37 season now appear likely to be at least 230,000,000 bushels below supplies in 1935-36 and the smallest since 1927.

World production excluding Russia and China is tentatively placed at about 3,510,000,000 bushels, which is 20,000,000 bushels less than last year. Production in the Northern Hemisphere outside of Russia and China may be at least 80,000,000 bushels less than a year ago. The production for the United States was estimated to be 638,000,000 bushels, based on July 1 condition, but the final outturn may more nearly resemble that of last year, which was 623,000,000 bushels. Production in Canada is indicated to be at least 25,000,000 bushels below a year ago. Prospects in Europe point to a total reduction of about 54,000,000 bushels, the increase in the Danube Basin not being sufficient to offset the large decrease in other parts of Europe. A decrease of about 12,000,000 bushels is also indicated for Africa, while prospects in Asia are for almost as large a crop as a year ago. In the Southern Hemisphere, where the crop is hardly seeded it seems probable that there will be an increase of about 80,000,000 bushels over the extremely small production of last year, based on moisture conditions to date. On the basis of present reports on crop conditions in Russia, it would appear that that country will not harvest as large a crop as last year.

The world wheat carry-over outside of Russia and China, the total of which is still moderately above the average prior to 1928, is about 210,000,000 bushels less than last year. Stocks in the United States are about 5,000,000 bushels less, those in the three principal exporting countries and afloat to the United Kingdom about 110,000,000 bushels smaller, and those in Europe, including the Danube Basin countries, about 85,000,000 bushels less than a year ago. North African stocks are perhaps 10,000,000 bushels less.

As a result of smaller supplies, world prices in 1936-37 are expected to average higher than in 1935-36. Moreover, the deterioration in the spring wheat and durum crops is expected to reduce domestic supplies of these two classes of wheat to below domestic requirements and result in domestic wheat prices remaining about as high relative to Liverpool as they did during the past three seasons, when production due to drought and rust was less than domestic needs. During this period prices averaged about 20 to 30 cents higher than they would have with more nearly normal yields.

Short supplies of hard wheat and durum may result in imports during the 1936-37 season somewhat larger than in 1935-36 when imports of wheat and flour totalled 35,000,000 bushels, or 5 percent of total utilization. Last year rust reduced the crop in the spring wheat area by about 100,000,000 bushels, while this year the drought has greatly reduced the crop in the same area. With the United States again on an import basis, changes in domestic prices in 1936-37 will be largely influenced by the same factors which determine the course of prices at Winnipeg and Liverpool. They may also be expected to be influenced to some extent by corn prices which have risen to a high level because of the prospects of a short crop.

Crop Prospects

United States.- Production of all wheat in the United States, as indicated by July 1 condition, was estimated at 638,000,000 bushels compared with 623,000,000 bushels in 1935, 526,000,000 in 1934, 552,000,000 in 1933 and the 5-year (1928-32) average of 864,000,000 bushels. Winter wheat production was indicated at 512,000,000 bushels compared with 464,000,000 in 1935 and 622,000,000 bushels the 5-year average. Production of all spring wheat in 1936 was indicated at 126,000,000 bushels compared with 159,000,000 bushels in 1935, and the 5-year average of 241,000,000. During May the crop suffered from lack of moisture and above-normal temperatures in North Dakota, South Dakota, Nebraska, and Wyoming. During June, continued high temperatures and deficient rainfall caused prospects to decline rapidly in these States and also in Montana and Colorado. By July 1 the crop was showing considerable deterioration in western Minnesota. In Washington and Oregon prospects improved somewhat during June. Continued unfavorable conditions in early July in the Northern Great Plains States further reduced prospects from the July 1 indications.

Canada.- The condition of the wheat crop in Canada deteriorated greatly during June and the first 3 weeks of July. At the beginning of June, both winter and spring wheat were reported at 95 percent of average. At the end of June winter wheat was reported at 89 percent and spring wheat had dropped to 82 percent, a decline of 13 points. These figures compare with a condition of 94 for winter wheat and 96 for spring wheat on June 30, 1935. During the first 3 weeks of July the drought and high temperatures persisted over the Western Grain Belt, increasing the crop damage and enlarging the areas adversely affected. It is reported that an extensive area is in danger of being reduced to virtual failure if relief is not received soon. Even if needed rain does come, heads and straw will be short. Extensive hail losses have been reported in Saskatchewan and Alberta. Grasshoppers are reported to be migrating to the better crop areas. Weather conditions, so unfavorable for growth, have, however, been favorable for the harvest of winter wheat and the season has been unusually early. Large quantities of grain are being retained in grain elevators in western Canada as insurance against crop failure. Continued unfavorable conditions indicate a total crop of not more than 250,000,000 bushels. The crop in 1935 was estimated at 277,000,000 bushels.

Europe.- Indications point to a 3 percent smaller crop in Europe than was harvested last year. Estimates for the 26 European countries, excluding the Danube Basin, shown in table 1, indicate a reduction of 10 percent from the 1935 crop. Conditions in the Danubian countries have continued favorable and present estimates of the crop point to an increase of about 24 percent. These four countries, with Germany and Poland, are the only important producing European countries to show an increase.

Small production is in prospect in most western Mediterranean countries. The first official estimate of the crop in Spain places production in that country at 33,000,000 bushels below 1935. The Paris Office of the Foreign Agricultural Service estimates production in France to be 42,000,000 bushels less than last year. This is the smallest crop on record since 1930. Storms are delaying the harvest to the probable further detriment of the crop. In Portugal, where a low yield has been indicated for some time, heavy rainstorms have doubtless further reduced prospects since the time the estimate was made. More definite information than has previously been available indicates that the crop in Italy may be 45,000,000 bushels less than last year and the quality of the crop poor.

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:				
United States	551,683	526,393	623,444	638,399
Canada	281,892	275,849	277,339	1/250,000
Mexico	12,122	10,950	10,712	(10,000)
Total (3)	845,697	813,192	911,495	898,399
Europe:				
England and Wales	58,725	65,259	60,592	2/ 54,000
Scotland	3,472	4,144	4,443	3,344
Northern Ireland	227	363	362	2/ 300
Irish Free State	1,983	3,803	6,687	3/ 7,300
Norway	755	1,204	1,707	3/ 1,300
Sweden	26,337	28,376	23,611	3/ 22,400
Denmark	11,543	12,847	14,774	3/ 13,600
Netherlands	15,325	18,042	16,653	15,947
Belgium	15,067	16,134	14,780	4/ 14,300
France	362,330	338,513	284,950	4/242,500
Spain	138,235	186,836	153,943	121,253
Luxemburg	995	1,171	1,022	(1,000)
Portugal	15,073	24,690	15,900	4/ 11,000
Italy	298,548	233,064	283,455	4/238,800
Switzerland	4,957	5,342	5,824	(5,600)
Germany	205,920	166,547	171,481	3/183,700
Austria	14,615	13,305	15,590	3/ 14,700
Czechoslovakia	72,896	50,014	62,095	3/ 64,300
Greece	28,385	25,679	26,401	23,736
Poland	79,883	76,440	73,884	3/ 77,200
Lithuania	8,192	10,475	10,093	3/ 8,800
Latvia	6,725	8,051	6,520	3/ 5,500
Estonia	2,451	3,107	2,267	3/ 1,800
Finland	2,460	3,280	4,233	4,703
Malta	305	310	179	(200)
Albania	2,380	2,000	2,000	(2,000)
Total (26)	1,377,784	1,298,996	1,263,446	1,139,283
Bulgaria	55,454	39,595	47,925	5/ 51,400
Hungary	96,356	64,824	73,948	85,171
Rumania	119,072	76,553	96,440	121,253
Yugoslavia	96,582	68,328	73,101	5/102,900
Total (4)	367,464	249,300	291,414	360,724
Total Europe (30)	1,745,248	1,548,296	1,554,860	1,500,007

Continued

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Africa:				
Algeria	31,998	43,528	33,532	4/ 33,100
Morocco	28,902	39,586	20,025	15,542
Tunisia	9,186	13,779	16,534	7,716
Egypt	39,951	37,277	43,222	45,378
Total (4)	110,037	134,170	113,313	101,736
Asia:				
Palestine	1,633	3,050	3,785	(3,500)
Syria and Lebanon	13,476	13,438	20,043	(18,000)
India	352,987	351,829	363,067	350,709
Japan	40,410	47,660	48,721	46,223
Chosen	8,887	9,268	9,747	(9,000)
Turkey	99,637	99,711	92,640	6/110,400
Total (6)	517,030	524,956	538,003	537,832
Total 43 countries	3,218,012	3,020,614	3,117,671	3,037,974
Estimated Northern Hemisphere total excluding Russia and China	3,263,000	3,067,000	3,164,000	3,084,000
Southern Hemisphere:				
Argentina	286,120	240,669	139,625	1/200,000
Australia	177,338	133,394	142,308	(150,000)
Union of South Africa	11,762	15,343	20,208	(12,000)
Estimated world total excluding Russia and China	3,809,000	3,514,000	3,530,000	3,509,000

Compiled from official sources except as otherwise noted.
1/ Based on weather conditions.
2/ Estimated in the London Office of the Foreign Agricultural Service.
3/ Estimated in the Berlin Office of the Foreign Agricultural Service.
4/ Estimated in the Paris Office of the Foreign Agricultural Service.
5/ Estimated in the Belgrade Office of the Foreign Agricultural Service.
6/ Unofficial.

Soviet Russia.- While the condition of the winter wheat crop appears to be fairly satisfactory., spring wheat is believed to be affected by heat and drought. Spring wheat accounts for about two-thirds of the total Acreage 1/. Some observers are predicting a below-average wheat crop for Russia and insignificant exports during the marketing season. There is no very direct relationship, however, between the size of the crop in Russia and the quantity of exports and high world wheat prices may result in larger exports than would otherwise be the case.

North Africa.- Current estimates of production in North Africa indicate a reduction of 12,000,000 bushels, or 10 percent from last year's crop. Estimates for Algeria and Egypt show very little change from last year. The estimate for Morocco, however, represents a decrease of 22 percent from a year ago and is the smallest crop reported for that country since 1922. The estimate for Tunisia is 53 percent less than last year and the smallest since 1924.

Asia.- The estimate of production in Japan is slightly smaller than the crop reported in 1935. The first estimate of the crop in India shows a reduction of 12,000,000 bushels, or 3 percent, compared with last year.

Argentina.- Excess moisture has retarded seeding in Argentina and a dry period is now wanted. The increase in acreage, expected earlier, now seems unlikely because of the wet season. While it is admittedly too early to make a definite estimate, a production in the neighborhood of 200,000,000 bushels is indicated by moisture conditions since January.

Australia.- Sowings are finished in Australia and general rainfall has benefited crops. Crop condition is said to be fairly satisfactory. The area sown to wheat is reported at 12,400,000 acres compared with 11,809,000 acres last year. In order to arrive at a total figure for world production in 1936-37 Australia has been figured at 150,000,000 bushels which seems the most reasonable presumption considering moisture conditions to date. Production last year was estimated at 142,000,000 bushels.

Wheat Supply and Distribution in the United States

The carry-over of wheat in the United States on July 1 is estimated at 150,432,000 bushels, compared with 154,702,000 bushels, the revised figure for last year. While stocks are larger than expected they contain a considerable quantity of light weight wheat of poor milling quality.

The carry-over figures consist chiefly of old wheat, but some new wheat is necessarily included, and it is expected that a considerable quantity is included this year because of the heavy early movement of wheat from the Southwest. This largely accounts for the fact that the July 1 carry-over forecast of 125,000,000 based on April 1 stocks appears low. Wheat in transit to merchant mills, which includes wheat bought "to arrive" has always contained some new wheat but the amount has usually represented only a relatively small percentage of the total carry-over. This year, however, because an unusually large amount of new wheat was marketed before July 1 this one item doubtless is largely new wheat. Other factors which contribute to an underestimation were: Imports were larger than expected

1/ Acreages in Soviet Russia, 1934-35 to 1936-37 are shown in table 14.

during April to June because of the deterioration of the crop in the spring wheat area, farm stocks were higher as a result of production revisions, and the figure for milling was over-estimated on the basis that with reduced imports considerable light wheat would be ground in the last quarter, which type of wheat requires more bushels to make a barrel of flour.

Stocks of wheat on farms and interior mills and elevators include only old wheat. Stocks in commercial elevators and in merchant mills and elevators include practically all old wheat except small amounts of new wheat received by such elevators prior to July 1. For this present year, a special inquiry was made, the results of which indicated that there were about 4,500,000 bushels of new wheat in store in commercial elevators on July 1. This amount has been deducted from the total commercial stocks figure as of that date.

Present stocks in the various positions and stocks for other years since July 1923 are shown in table 2, which also shows production and imports, making up the total supplies. The table also contains figures on the quantities of wheat and flour exports, used as food and feed, etc.

The table represents certain changes compared with ones previously published. It has now been revised so as to eliminate wheat imported for milling in bond and export as flour and also wheat and flour imported and reexported. Up to this time these two items were included both on the supply side and on the distribution side, thereby complicating the picture for the average reader, who was usually concerned only with the amount of wheat imported for utilization in the United States.

The table includes farm stocks for 1925-26 to date, revised to take into account the changes in production made by the Crop Reporting Board on the basis of the Census enumeration of 1934. Unrevised seed requirement figures are still carried, however, because the new figures were not available. Stocks "in merchant mills and elevators and stored for others" are subject to slight revision later this year. The item "in transit to merchant mills" may be entirely eliminated if it is found upon further inquiry that it includes mostly "to arrive" wheat, which implies a duplication of stocks already counted.

Wheat imported for milling in bond was eliminated from the table by using only the wheat which paid a duty plus flour imports. Exports of flour made from imported wheat where eliminated by subtracting wheat imported for milling in bond corrected by the amount of the change in carry-over of bonded wheat in manufacturers' warehouses. Beginning with January 1,1935 figures are available covering flour exports made wholly from domestic wheat. Production estimates together with disappearance figures were also changed in line with the revised figures.

Table 2.-Wheat: Supply, distribution, and disappearance in continental United States, 1923-24 to 1936-37

Crop year beginning July	Supply: Stocks July 1: On farms 1/	In country elevators and mills 1/	Commercial stocks 2/	In merchant mills and elevators and stored for others 3/4/	In transit to merchant mills 3/	Total	New crop 1/	Imports (flour included) 5/	Total supply
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1923-24	4/35,239	37,117	29,403	28,000	7,200	136,959	759,482	14,578	911,019
1924-25	4/29,349	36,626	38,597	30,000	9,800	144,372	840,091	304	984,767
1925-26	28,638	25,287	29,285	22,576	9,000	114,786	668,700	1,747	785,233
1926-27	27,071	29,501	16,486	24,505	7,350	104,913	832,213	77	937,203
1927-28	26,640	21,776	25,516	37,038	11,274	122,244	875,059	188	997,491
1928-29	19,588	19,277	42,208	31,920	10,893	123,886	914,373	91	1,038,350
1929-30	45,106	41,546	95,684	48,279	16,237	246,852	823,217	53	1,070,122
1930-31	60,216	60,166	109,327	59,170	14,706	303,585	886,470	354	1,190,409
1931-32	37,867	30,252	203,967	41,206	12,496	325,788	936,831	7	1,262,626
1932-33	93,448	41,585	168,405	71,714	10,088	385,240	756,927	10	1,142,177
1933-34	82,882	64,296	123,712	107,052	16,038	393,980	551,683	153	945,816
1934-35	62,516	48,150	80,548	83,114	14,066	288,394	526,393	14,069	828,856
1935-36	44,339	31,799	21,951	49,471	7,142	154,702	623,444	34,660	832,806
1936-37	43,760	23,776	20,647	48,557	13,692	150,432	(638,399)		

Compiled as follows: 1/ Based on returns to the Bureau from crop reporters.
2/ From Bradstreets 1919-30; Bureau of Agricultural Economics, 1930-31 to end of table.
3/ 1923-25 estimate in absence of actual figures 1925-26 to date, Bureau of Census raised to represent all merchant mills. Stocks stored for others included, beginning July 1930.
4/ Unrevised.
5/ From reports of Foreign and Domestic Commerce of the United States; imports include full-duty wheat, wheat paying a duty of 10 percent ad valorem plus flour in terms of wheat.

Table 2.-Wheat: Supply, distribution, and disappearance in continental United States, 1923-24 to 1936-37 - cont'd

Crop year beginning July	Distribution								
	Exports and shipments				Seed requirements 3/4/	Disappearance for food, feed, and loss	Carry-over June 30 5/	Population Jan. 1 6/	Per capita disappearance for food, feed, and loss
	Exports (wheat only) 1/	Exports flour as wheat 1/	Shipments (flour included) to A. H., P. R., and V. I. 1/ 2/	Total					
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	Thousands	Bushels
1923-24	78,793	67,213	2,973	148,979	73,544	544,124	144,372	112,370	4.84
1924-25	195,490	59,478	2,871	257,839	81,278	530,864	114,786	114,035	4.66
1925-26	63,189	31,428	2,741	97,358	79,540	503,422	104,913	115,700	4.35
1926-27	156,250	49,761	3,082	209,093	85,065	520,801	122,244	117,364	4.44
1927-28	145,999	45,228	2,692	193,919	91,416	588,270	123,886	119,029	4.94
1928-29	103,114	38,106	3,172	144,392	84,577	562,529	246,852	120,694	4.66
1929-30	92,175	48,179	2,983	143,337	83,930	551,770	7/ 291,085	122,359	4.51
1930-31	76,365	36,063	2,850	115,278	81,060	668,283	325,788	123,687	5.40
1931-32	96,521	26,376	2,757	125,654	80,098	671,634	385,240	124,579	5.39
1932-33	20,887	10,979	3,023	34,889	83,635	629,673	393,980	125,387	5.02
1933-34	18,800	6,798	2,779	28,377	71,703	557,342	288,394	126,234	4.42
1934-35	3,019	7,512	2,783	13,314	75,476	585,364	154,702	127,152	4.60
1935-36	311	3,896	2,908	7,115	(85,000)	590,259	150,432		
1936-37									

1/ From reports of Foreign and Domestic Commerce of the United States. Exports include only flour made from domestic wheat; 1923-35 estimated on basis of total exports less wheat imported for milling in bond and export adjusted for changes in carry-over; 1935-36 figure for exports of flour wholly from United States wheat. 2/ Abbreviations refer to Alaska, Hawaii, Puerto Rico, and Virgin Islands. Virgin Islands prior to December 31, 1934 included with domestic exports; beginning January 1, 1935 included with shipments. 3/ Amount of seed used per acre from returns to the Bureau from inquiries sent to crop reporters. 4/ Unrevised. 5/ For individual items see supply section. 6/ Bureau of the Census. 7/ Year-end stocks do not include 12,500,000 bushels stored for others.

Prospective United States Wheat Supplies

The prospective domestic supplies of wheat will likely more than take care of usual requirements of soft red, white wheat, and hard winter wheat, but hard red spring and durum will again undoubtedly be below normal needs. The moderate excess of hard red winter wheat over average requirements, together with a limited amount of soft wheat, might be substituted for deficient supplies of hard spring wheat, but this would only partly take care of the shortages in these two classes and necessitate imports of these types. Total supplies of all hard wheats will probably be no greater than last year and perhaps less, and with considerable light weight wheat in the carry-over, imports somewhat larger than in 1935-36 may be expected. Last year rust reduced the crop in the spring wheat area by about 100,000,000 bushels, while this year the drought has greatly reduced the crop in the same area.

During the 1935-36 season total imports of wheat and flour in terms of wheat amounted to 34,700,000 bushels, and exports and shipments to 7,115,000 bushels, resulting in net imports of 27,545,000 bushels. Of the total imports, 25,300,000 bushels were of milling wheat and 9,200,000 bushels of wheat "unfit for human consumption", and 200,000 bushels of flour in terms of wheat. Most of this wheat imported this last year has been hard red spring wheat from Canada, but some durum was also imported. The drought curtailed the acreage and reduced the yields of the 1935 hard winter wheats and, in spite of the modification of planting restrictions upon spring wheats under Agricultural Adjustment Administration contracts, production of spring wheat was below domestic needs because of the rust which caused low yields and low test weight. Table 4 shows imports into the United States since 1923.

Based on July 1 condition, a production of hard red winter wheat of 266,000,000 bushels is indicated; soft red winter, 195,000,000 bushels; hard red spring, 70,000,000 bushels; durum, 10,000,000 bushels; and white, 97,000,000 bushels.

World Wheat Supplies and International Trade

Current estimates for important countries indicate that the world carry-over, excluding Russia and China, as of July 1, 1936 would be about 655,000,000 2/ bushels or about 210,000,000 bushels less than a year earlier. A carry-over of this size would largely eliminate the excessive supplies carried over for several years, but would still be moderately above the average prior to 1928. The reduction in stocks has been due to three unusually small crops in the United States and Canada, two small crops in Australia and a very small outturn in Argentina last year. Current crop prospects indicate a further moderate reduction in stocks in 1936-37.

The surplus of wheat available for export or carry-over in the three principal exporting countries, Canada, Argentina, and Australia, together with United Kingdom port stocks and quantities afloat (see table 9), as of July 1, 1936, are estimated at 271,000,000 bushels, which is 109,000,000 bushels less than a year earlier. Stocks in the United States are placed at 150,000,000 which is 5,000,000 bushels less than on July 1, 1935. Stocks in European countries, based on preliminary estimates are indicated to be

2/ Excluding domestic utilization for Canada, Australia, and Argentina for the remainder of the crop year.

about 85,000,000 bushels less than a year ago. Stocks in other countries are expected to show little change. One of the features of the wheat situation at present is the reduction of European carry-over to the lowest level in the past 5 years. This serves to materially strengthen the world statistical position of wheat.

The surplus of wheat available for export or carry-over on July 1, 1936 was estimated at 167,000,000 bushels for Canada, 32,000,000 bushels for Argentina and 33,000,000 for Australia. Argentina is currently out of the European markets because of short supplies and high fixed domestic prices, which, added to the very small supplies in Australia, leaves Canada as the chief supplier of European import requirements until the Southern Hemisphere countries have another harvest next December and January.

European Imports in 1935-36

The total net imports for the 1935-36 season, July 1 to June 30, for 21 European countries is now estimated at about 340,000,000 bushels, compared with 352,000,000 bushels in 1934-35 and 391,000,000 bushels in 1933-34. The present figure represents only a slight decrease from the range in the estimates published in April 3/. The import estimate for the United Kingdom has been revised downward about 10,000,000 bushels, largely as a result of reduced utilization, while small reductions were made for Germany, Denmark, Netherlands, and the Irish Free State. Germany is expected to have only about 500,000 bushels of net imports as a result of exports, notably to Holland, during the past several months. Net imports into Denmark are reduced because of the restriction on imports. France and Poland exported more than was previously expected, and Portugal less, thereby decreasing net imports. The estimate for the 1935-36 season is shown in table 12 which also shows the imports for the 2 years previous.

During the past year the absence of official information from Italy since September and the almost complete absence of private information on commerce in wheat has made difficult the approximation of the actual situation in that country. However, it is now believed that total direct imports into Italy for consumption will consist of 3,675,000 bushels of bread wheat from Hungary and 2,200,000 bushels from Australia. In addition to these, some 7,350,000 bushels were imported and milled in bond, but contrary to ordinary practice the product was almost entirely shipped to the Italian "colonies". In addition, a certain amount of flour or other products were shipped from Italy to East Africa for military supplies.

A general feature of the 1935-36 season, now becoming evident, is that there has been a further significant decline in wheat utilization in many European countries. Declines in consumption or at least utilization are definitely apparent in Czechoslovakia, Austria, Denmark, Italy, and possibly, also in Belgium, and the Netherlands. There are several reasons for this development, and they are often different in the various countries. In Czechoslovakia, the high monopoly prices and decreased feeding appear largely responsible for the decline; in Denmark, reduced feeding of wheat

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3/ "World Wheat Prospects", April 28, 1936, pages 9-11.

compared with last year is the main cause of the drop, while in Italy, the decline can probably be explained by economic conditions resulting from the political developments in the past year. In Germany, on the other hand, an increase of about 13,000,000 bushels in wheat consumption is indicated for 1935-36 over 1934-35. This situation is attributed to increased feeding of wheat because of a shortage of feed grains.

European Import Requirements in 1936-37 4/

Import requirements for Europe as a whole in the new season of 1936-37 are expected to be larger than in 1935-36 but not as large as would be indicated by the size of the crop decline, because although France, Spain, and Portugal have smaller crops, they still have considerable stocks of old wheat. On the other hand, surpluses in the agricultural countries, such as the Danube Basin, do not increase the exportable quantities from these countries to the extent of the increase in the size of the crop, while declines in the crops of important industrial deficit countries have the tendency to increase import requirements almost in equal quantity unless carry-over supplies are significant.

In 1936-37 the United Kingdom will probably import about as much wheat as in 1935-36 or in 1934-35, but that is considerably less than during previous years. Crop prospects for the 1936-37 season indicate a reduction of about 7,000,000 bushels in domestic wheat, but consumption which has been declining may be still further reduced.

Extensive imports will probably be necessary next year to fulfill consumption requirements in Italy. Lacking any current statistics whatever, the belief is held that present consumption in Italy has fallen to some 276,000,000 bushels, showing a particularly marked decline in the past year. If the present forecast of production is correct, and the carry-over is about 4,000,000 bushels, imports for consumption may be about 37,000,000 bushels. Some quarters indicate a crop considerably under the figure indicated above, which, if true, would necessitate larger imports.

It is expected that Germany will import some wheat this season. Crop prospects indicate an outturn below normal requirements and the carry-over will not be sufficient to effectively make up the difference. Press reports already indicate that Germany is prepared to take a large part of the Yugoslavian wheat export surplus, provided that Yugoslavia will be prepared to take German goods in return.

It is apparent that France will require wheat from abroad during the coming year. Developments in northern Africa indicate that the exportable surplus there will not be large, and even considering a maximum quantity from her colonies, it will be necessary for France to seek elsewhere for what will probably be the heaviest imports since the spring of 1932. It is difficult to ascertain just what stocks are on hand, but from the usual calculations it would appear that there may be no more than 18,000,000 to 22,000,000 bushels. However, following the surplus conditions of the past few years, it is quite possible that producers are holding fairly

4/ From reports of the foreign offices of the Agricultural Service.

extensive amounts in small parcels which would raise the effective carry-over. Even considering this possibility, some imports will probably be necessary. It is doubtful if Tunisia will have any exportable surplus for shipment to France. Tunisia has previously supplied fair amounts of bread wheats of rather good baking value and if such wheats are no longer available, their place may be taken during the next year by Manitobas.

Even with a small harvest in Spain, it is believed that stocks of the old crop will be about sufficient to provide for the usual requirements during the coming marketing year, unless significant quantities of old grain turn out to be unfit for milling. If the crop turns out to be near the 121,000,000 bushels now forecast and stocks about 37,000,000 bushels, total supplies will be 158,000,000 bushels, which will about meet the 150,000,000-bushel requirement and provide a small carry-over. If the crop turns out to be smaller than now indicated, imports would become more probable.

Even though the new crop in Czechoslovakia turns out less favorable than a year ago, surplus supplies during 1936-37 seem to be assured because of a carry-over estimated at 7,500,000 bushels more than a year earlier. Monopoly stocks at the end of June are estimated at 23,150,000 bushels compared with a previously expected figure of 21,000,000 bushels.

Prices

Up until early June a large enough surplus of wheat to put the United States on an export basis seemed likely, and prices at the time were adjusting downward to a shipping differential under Liverpool. However, as the drought conditions began to reduce spring wheat crop prospects, prices strengthened and after the middle of June, as conditions grew worse, they registered the sharpest gains in recent years. From the low point in late May and early June to July 10, No. 2 Hard Amber Durum at Minneapolis rose 45 cents, No. 2 Hard Winter at Kansas City, 26 cents, No. 2 Red Winter at St. Louis, 17 cents, and No. 2 Dark Northern Spring at Minneapolis, 14 cents. Prices at Winnipeg and Liverpool, influenced by the same factors as the domestic markets, fluctuated much in the same manner. Since July 10 wheat prices in both domestic and foreign markets lost some of the gains despite further serious deterioration in the spring wheat crops in both the United States and Canada. Heavy domestic marketings of winter wheat have tended to cause cash markets to decline and the seasonal hedging pressure has influenced the decline in futures. Average farm prices of wheat in the United States declined from 82.3 cents per bushel on May 15 to 80.6 cents on June 15. Last year the June 15 farm price was 77.3 cents.

With imports of spring wheat and durum necessary in 1936-37, prices for these two types will remain above prices in Canada by somewhat more than the amount of the tariff, which is 42 cents per bushel for milling wheat. For the week ended June 18 when 660,000 bushels were imported, No. 1 Dark Northern Spring at Minneapolis averaged 47 cents higher than Manitoba Northern No. 3, a fairly comparable grade, at Winnipeg, and No. 2 Hard Amber Durum at Minneapolis averaged 60 cents higher than No. 2 Durum at Winnipeg.

Short supplies of hard spring wheat will again result in increased demand for other types of wheat grown in the United States as has been the

case during the last 2 or 3 years. The price of hard wheats will increase most because such wheat can be substituted directly for hard spring, whereas soft wheats must be used with hard wheats and can be used in only limited quantity in bread flour. During the past 2 years hard wheat prices have been high relative to soft wheat prices. In 1934-35, No. 2 Hard Winter at Kansas City averaged 4 cents higher than No. 2 Red at St. Louis, and in 1935-36 about 10 cents higher, whereas over a period of 20 years the Kansas City price for hard wheat averaged about 7 cents lower than the St. Louis price for soft wheat. Hard wheat prices have been relatively high during the past 2 years because of short supplies of hard wheats. While soft wheat supplies even during these 2 years, have been ample for domestic needs, soft wheat prices have benefited considerably by the shortage of hard wheats because of the increased demand. While it is probable that Kansas City prices were 30 to 35 cents higher, soft wheat prices at St. Louis were probably 20 cents higher than they would have been if the United States had been on an export basis.

Tables, 4, 5, and 6 show wheat prices at each of the important domestic markets as well as at world markets for recent weeks.

New Governmental Measures in Europe 5/

Government attention in European countries is now generally centering around the measures having to do with the new season. In Germany, there is expected to be little change from the system of market control, fixed prices, market intervention, and delivery and milling contingents which were applied in 1935-36. Should the crop outturn, however, be abnormal, large or small, some price changes might be made. Czechoslovakia is planning to retain her monopoly system, to retain also the very high consumer prices for wheat, while farm prices of both wheat and rye are to be reduced. A new control over the wheat acreage is also planned. Poland expects to continue its present grain policy, with restricted market supporting purchases by the Government agency, but export premiums for wheat probably reduced from about 31 cents to 26 cents per bushel. No change has so far been reported in prospect in the present grain policies of the Netherlands, Belgium, Switzerland, Poland, Denmark, and Sweden.

The new Government in France has instituted a change in its wheat policy. Among other things this provides for a wheat office which will have virtual monopoly powers with respect to foreign trade and also strictly regulate domestic trade and prices. A complete grain monopoly has now been established in Italy which provides thorough-going state socialization. A system of Government grain procurings is even planned for this season's crop.

Both Germany and Czechoslovakia are reported to have agreed to take 6,675,000 bushels of the 1936-37 surplus of Yugoslavian wheat, although with present crop prospects such additional supplies should not be needed by Czechoslovakia. Austria is also said to have agreed to take 1,840,000 bushels from Yugoslavia. All these deals are to take place in exchange for industrial goods.

5/ From reports from foreign offices of the Foreign Agricultural Service.

The European Wheat Market Situation during June 6/

The crop deterioration in the United States was a very important strengthening market factor in those countries where world wheat prices were of significance, and in most other countries local crop developments and reduced supplies resulted in firmness.

In the British markets the virtual absence of Argentine wheat was more than offset by heavy importations from Canada and Australia, and smaller total imports compared with a year ago were due to a reduction in imports from miscellaneous countries. In France there was little market activity due to uncertainty as to Government developments with respect to regulations, but prices nevertheless rose and the declining crop prospects provided a much firmer tone. In the Netherlands, a fair business was reported in Manitobas as well as Uruguay wheat. In Belgium prices on Argentine offerings were sustained with offerings light; some decline took place in the heavy Canadian shipments. In Czechoslovakia the wheat markets continued dull throughout June, and it was very evident that the uncertainty regarding monopoly grain prices in the new campaign added to the reluctance of mills and the trade to buy beyond current requirements. The wheat market situation in Poland seemed to have definitely improved.

Table 3.-Wheat: Stocks in specified continental European countries, April 15 and May 15, 1935 and 1936

Position	1935		1936	
	Apr. 15	May 15	Apr. 15	May 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports:				
Antwerp	2,921	1,837	1,525	1,003
Rotterdam	919	698	217	342
United Kingdom(wheat and flour): 1/	10,803	10,325	9,847	9,921
Germany:				
Berlin (wheat and flour) 1/	3,108	3,061	2,572	2,227
"Second-hand" stocks (wheat and flour) 1/2/	68,712	62,525	48,636	3/41,434
Farm stocks 1/	17,306	10,215	17,453	10,141
Other:				
Swedish mill stocks of wheat 1/	3,979	4,060	3,713	---

1/ First of the month.
2/ In warehouses and flour mills. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin and Hamburg data.
3/ Preliminary.

6/ From reports from foreign offices of the Foreign Agricultural Service.

Table 4.- Wheat: Imports into the United States for domestic utilization and for grinding in bond and export, 1923-24 to 1934-35 and monthly, July - June 1935-36

Crop year	Full duty wheat (Tariff 42 cents)	Wheat unfit for human consumption (Tariff of 10 per-cent ad val.) 1/	Total imports for domestic utilization (Total of first 2 columns)	For grinding in bond and export 2/
	Bushels	Bushels	Bushels	Bushels
1923-24	13,783,423	---	13,783,423	13,904,837
1924-25	272,548	---	272,548	5,813,353
1925-26	1,664,843	---	1,664,843	13,421,480
1926-27	48,808	---	48,808	13,171,683
1927-28	161,297	---	161,297	15,043,679
1928-29	79,136	---	79,136	22,480,962
1929-30	44,607	---	44,607	12,903,364
1930-31	40,756	307,336	348,092	19,013,090
1931-32	6,057	---	6,057	12,878,851
1932-33	5,767	1,354	7,121	9,372,151
1933-34	143,656	5,729	149,385	11,341,052
1934-35	5,905,380	8,146,044	14,051,424	11,064,092
1935-36 -				
July	100,531	692,603	793,134	715,172
Aug.	1,661,658	908,447	2,570,105	1,045,428
Sept.	2,832,254	812,040	3,644,294	697,935
Oct.	5,042,638	281,298	5,323,936	1,258,735
Nov.	2,519,621	1,828,150	4,347,771	1,193,016
Dec.	1,368,503	2,952,651	4,321,154	781,074
Jan.	2,169,989	61,011	2,231,000	851,016
Feb.	2,223,012	175,092	2,398,104	875,141
Mar.	2,579,747	93,461	2,673,208	1,224,682
Apr.	1,549,058	11,500	1,535,558	1,053,397
May	1,186,211	440,833	1,627,044	1,214,107
June	2,080,297	948,042	3,028,339	1,093,956
Total	25,313,519	9,205,128	34,493,647	12,003,659

Division of Statistical and Historical Research. Imports for consumption from United States Tariff Commission, July 1923 to December 1933, and from Bureau of Foreign and Domestic Commerce, January 1934 to date.

1/ Beginning June 18, 1930, a new classification, wheat unfit for human consumption, was introduced by the 1930 Tariff Act.
2/ Includes wheat for grinding in bond for export, which enters duty free. Beginning June 18, 1930, includes wheat ground into flour in bond for export to Cuba, a new classification in the 1930 Act. (The duty on this wheat equals the reduction in Cuban duty and the reduction in the consumption tax applicable by treaty to such flour imported into Cuba.

Table 5.- Wheat: Closing Saturday prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	94	111	87	106	100	122	4/ 85	94	81	101	5/65	7/100
Low 3/	82	86	78	81	82	88	4/ 80	76	70	82	5/56	7/ 92
Weekly-												
June 27	88	95	84	90	88	104	4/ 83	82	80	89	4/60	8/ 92
July 3	82	103	78	98	83	113	4/ 80	87	70	91	6/56	8/ 93
11	82	106	80	101	83	117	4/ 80	90	71	100	6/57	8/ 97
18	87	103	86	101	90	116	4/ 81	92	74	101	6/60	6/ 98
25	94	104	94	102	100	117	4/ 85	92	77	101	6/65	6/100

1/ Conversions at noon buying rate of exchange.
2/ Prices are of day previous to other prices.
3/ June 1 to date.
4/ August futures.
5/ August and October futures.
6/ October futures.
7/ September and October futures.
8/ September futures.

Table 6.- Wheat: Weighted average cash price at stated markets

Date	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk. N. Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	101	110	99	111	114	139	107	149	90	107	78	90
Low 2/	93	90	85	89	102	118	100	104	85	95	73	78
Weekly-												
June 27	96	102	87	102	103	133	104	128	86	98	75	86
July 4	100	99	93	100	111	124	102	125	90	96	78	82
11	93	109	93	111	109	139	101	142	85	106	76	90
18	94	109	95	111	114	135	107	149	85	105	76	88
25	96	110	99	111	111	134	104	142	88	107	76	

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ June 1 to date.

Table 7.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, May-July 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/	Paris 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
May 2	100.8	121.3	73.7	89.8	87.9	88.2	228	172
9	96.0	117.9	72.0	89.8	89.6	89.8	231	172
16	93.3	108.4	71.3	90.1	89.5	89.8	230	169
23	93.7	112.2	69.9	90.0	87.0	91.0	230	167
30	90.5	114.4	68.6	90.1	84.4	91.2	230	165
June 6	91.3	119.5	71.1	90.8	85.7	90.6	232	165
13	89.4	118.2	71.2	91.3	85.3	90.7	232	176
20	95.7	123.6	73.9	91.9	88.3	89.8	232	179
27	101.8	132.5	76.7	91.5	90.3	89.6	232	176
July 4	100.3	124.5	77.2	92.2	90.1	90.8	233	177
11	111.4	139.3	85.3	95.7	98.7	91.9		179
18	111.3	134.6	87.9	97.2	100.2			
25	111.4	133.8	89.2	99.8	102.7			

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin and Paris prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, and Paris are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Central German wheat, wholesale trade price free Central German Station.
7/ Free market prices from January 1, 1935.

Table 8.- Wheat: World supply, price, and disappearance, 1921-22 to 1936-37

Year	Production						
	United States	Canada	Argentina	Australia	Europe 1/	All other 2/	World production 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1921-22	819	301	191	129	1,224	515	3,179
1922-23	847	400	196	109	1,045	606	3,203
1923-24	759	474	248	125	1,257	656	3,519
1924-25	842	262	191	165	1,058	610	3,128
1925-26	669	395	191	115	1,397	613	3,380
1926-27	832	407	230	161	1,216	647	3,493
1927-28	875	480	282	118	1,274	644	3,673
1928-29	914	567	349	160	1,410	596	3,996
1929-30	823	305	163	127	1,451	705	3,574
1930-31	886	421	232	214	1,360	734	3,847
1931-32	936	321	220	191	1,436	756	3,860
1932-33	757	443	241	214	1,492	718	3,865
1933-34	552	282	286	177	1,745	767	3,809
1934-35 3/	526	276	241	133	1,548	790	3,514
1935-36 3/	623	277	140	142	1,555	793	3,530
1936-37 3/	638	250	200	150	1,500	771	3,509

Year	Shipments from Russia	Stocks accounted for July 1 4/	Total supply accounted for	Total disappearance	Average price per bushel: British parcels (simple average)	Average price per bushel: No. 2 Hard Winter at Kansas City (weighted average)
	Million bushels	Million bushels	Million bushels	Million bushels	Cents	Cents
1921-22	5/	314	3,493	3,203		120
1922-23	1	290	3,494	3,191	136	113
1923-24	21	303	3,843	3,495	121	105
1924-25	6/	348	3,476	3,194	180	135
1925-26	27	282	3,689	3,401	170	163
1926-27	49	288	3,830	3,494	164	135
1927-28	5	336	4,014	3,593	154	135
1928-29	6/	421	4,417	3,800	129	112
1929-30	7	617	4,198	3,615	130	120
1930-31	112	583	4,542	3,872	79	76
1931-32	72	670	4,602	3,906	60	47
1932-33	20	696	4,581	3,791	54	51
1933-34	34	790	4,633	3,888	69	88
1934-35 3/	4	745	4,263	3,729	80	98
1935-36 3/	30	534	4,094	3,672	89	105
1936-37 3/	(20)	422	3,951			

1/ Excludes Russia. 2/ Excludes Russia and China. 3/ Preliminary.
4/ Estimates of stocks represent carry-over in the United States and supplies available for export and carry-over in Argentina, Australia, and Canada, the United Kingdom port stocks and supplies afloat. 5/ Not available. 6/ Less than 500,000 bushels.

Table 9.- Surplus for export or carry-over 1/ in the three principal exporting countries, United Kingdom port stocks and stocks afloat, July 1, 1933-36

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada				
In Canada	222	213	215	152
In United States	4	10	9	15
Argentina	61	107	68	32
Australia	54	82	51	33
Total	341	412	343	232
United Kingdom port stocks	12	15	10	10
Stocks afloat to				
United Kingdom	15	14	11	15
Continent	8	10	10	7
Orders	3	10	6	7
Total	43	49	37	39
Total above	384	461	380	271

1/ Represents as nearly as possible total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for July in the case of Canada, July-November in the case of Australia, and July-December in the case of Argentina.

Table 10.- United States: Exports of wheat and wheat flour, 1934-36 1/

Period	Wheat		Wheat flour		Wheat including flour	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July-June	3,019	311	3,939	3,323	21,532	15,930
Week ended						
July 4	0	5	9	25	42	123
11	0	0	32	26	150	122
18	2	0	34	16	162	75
25	0	0	16	26	75	122

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 11.- Wheat, including flour: Movement from principal exporting countries, 1932-36

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1932-33	1933-34	1934-35	1933-34	1934-35	1935-36	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	41,210	37,002	21,532	37,002	21,532	15,930	June 30
Canada	267,342	198,555	169,630	198,555	169,630	237,537	June 30
Argentina	120,272	144,854	187,000	144,854	187,000	76,571	June 30
Australia	148,552	86,509	108,010	73,149	93,020	88,168	Apr. 30
Russia	19,676	33,787	4,286	32,135	3,819	28,816	Mar. 31
Hungary	7,010	29,615	12,499	23,574	8,855	10,310	Mar. 31
Yugoslavia	1,162	839	4,401	618	4,117	156	Apr. 30
Rumania	179	248	3,432	248	239	9,996	Apr. 30
Bulgaria	3,144	4,236	375	4,417	7	954	Apr. 30
British India	2,169	2,084	2,318	1,629	1,820	1,793	Mar. 31
Total	610,716	537,729	513,483				

	Shipments as given by trade sources						
	Total		Week ended			July 1-July 18	
	1933-34	1934-35	July 4	July 11	July 18	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/ ..	220,616	168,712	5,328	4,844	4,250	5,576	14,422
Canada, 4 markets 2/	194,213	176,059	3,573	4,969	4,649	9,948	9,617
United States	37,002	21,532	123	122	80	350	334
Argentina	140,128	186,228	928	851	582	8,556	2,361
Australia	90,736	111,628	516	875	852	4,824	2,242
Russia	26,656	1,656	0	0	0	0	0
Danube & Bulgaria 3/	15,872	4,104	96	168	656	592	920
British India	4/2,084	4/2,318	0	32	64	0	96
Total 5/	496,092	474,646				19,548	20,041
Total European shipments 1/ ...	401,560	387,752	4,720			6/5,336	6/4,720
Total ex-European shipments 1/ ...	123,352	142,424	2,648			6/1,592	6/2,648

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Total exports as given by official sources.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To July 4.

Table 12.- Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-36

Country	1933-34	1934-35	Preliminary forecast 1935-36 (unofficial) 1/	Net imports reported July 1 to	1934-35	1935-36
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	8	Apr. 30	7	6
Belgium	43	40	40	Apr. 30	34	32
Czechoslovakia	2/	1	3	May 31	3/	1
Denmark	12	19	8	May 31	12	8
Estonia	3/	3/	2/	---	---	---
Finland	4	4	4	Apr. 30	4	3
France	18	4/-17	7	Apr. 30	4/ -7	6
Germany	4/ -4	11	1	May 31	11	3/
Greece	12	13	12	Apr. 30	9	11
Irish Free State	19	18	15	May 31	16	14
Italy	8	10	13	---	---	---
Latvia	0	2/	-2	Apr. 30	2/	4/ -2
Lithuania		2/	-2	---	---	---
Netherlands	24	19	21	May 31	19	19
Norway	9	9	8	May 31	8	7
Poland	4/ -2	4/ -4	-7	Apr. 30	4/ -3	4/ -7
Portugal	1	1	-4	Apr. 30	1	4/ -1
Spain	2/	2/	2/		2/	3/
Sweden	2	4/ -2	-2	May 31	4/ -1	4/ -2
Switzerland	18	18	16	Apr. 30	14	13
United Kingdom	216	202	201	Apr. 30	165	166
Total imports	397	375	357		307	286
Total exports	6	23	17		11	12
Total, net imports	391	352	340		296	274

Compiled from official sources.

1/ Based on estimates furnished by foreign offices of the Foreign Agricultural Service.

2/ Net exports of less than 500,000 bushels.

3/ Less than 500,000 bushels.

4/ Net exports.

5/ Includes wheat shipped to Italian "colonies".

Table 13.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1934-36

Period	Argentina		Australia		Danube		North America	
	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36	1934-35	1935-36
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1-June 27	186,228	77,384	111,628	110,060	4,104	8,216	162,832	219,688
Week ended								
July 4	3,148	928	940	516	248	96	1,736	5,328
11	2,308	856	2,564	880	248	168	1,648	5,360
18	3,100	582	1,320	852	96	656	2,288	4,250
25	1,380	1,589	1,668	702	0	352	2,632	3,647

Compiled from Broomhall's Corn Trade News.

Table 14.- Soviet Union: Wheat acreages, 1934-36

Area	Harvested in 1934	Harvested in 1935	Harvested in 1936
	1,000 acres	1,000 acres	1,000 acres
Acreage sown:			
Winter wheat	29,892	32,506	1/ 34,721
Spring wheat	60,436	60,784	2/ 63,139
All wheat	90,328	93,290	97,860
Less: Winter-kill	3,233	1,724	---
Acreage for harvest	87,095	91,566	---

Compiled from official sources.
1/ International Institute of Agriculture.
2/ Plan exceeded by 4 percent on May 31.

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WORLD WHEAT PROSPECTS

Summary

World wheat supplies outside of Russia and China in the 1936-37 season now appear likely to be about 320,000,000 bushels less than in 1935-36. World production excluding Russia and China is now estimated at about 3,444,000,000 bushels, which represents a decrease of about 110,000,000 bushels compared with last year. World carry-over at the beginning of the current crop year was apparently about 744,000,000 bushels, which represents a decrease of about 210,000,000 bushels from a year earlier. Current reports confirm the earlier indications that Russia will not harvest as large a crop as last year. The crop in China is reported to be somewhat larger than a year ago.

The prospect of a decrease in world wheat production this year is due to poor crops in most Northern Hemisphere countries with the notable exception of the Danubian Basin countries, which report record crops. Production in the Northern Hemisphere is now estimated at 3,004,000,000 bushels which represents a reduction of 182,000,000 bushels from a year earlier. This is only partly offset by the early estimates of production in the Southern Hemisphere which suggest an increase of about 75,000,000 bushels from last year's small harvest.

The current year's wheat production in the United States based on August 1 condition, was officially estimated at 633,000,000 bushels, which is somewhat below the domestic utilization of the past 2 years but above the 5-year (1923-27) average. In 1935-36 domestic disappearance amounted to 655,000,000 bushels and in 1934-35 to 661,000,000 bushels, while the

5-year average was 620,000,000 bushels. With carry-over stocks on July 1,1936 estimated at 150,000,000 bushels, total supplies for the current crop-year are indicated to be about 783,000,000 bushels.

Domestic supplies of wheat will more than take care of usual domestic requirements of soft red, white, and hard red winter wheat, but supplies of hard red spring and durum will again be below minimum normal needs. Based on August 1 crop indications, the deficit of hard red spring wheat appears to be about 14,000,000 bushels and of durum wheat about 6,000,000 bushels. In 1935-36 the United States imported 26,000,000 bushels of these two types of wheat for milling and seed purposes.

As a result of the reduction in supplies, the average level of world prices in 1936-37 is expected to be materially above that of 1935-36. Wheat prices in the United States, which are on an import basis, may be expected to average about as high relative to world wheat price levels as during the 1935-36 season, when the price of No. 2 Hard Winter at Kansas City averaged 15 cents over parcels at Liverpool. Currently, this spread is somewhat narrower than the average for last year. During the past 3 years, short crops, together with other influences, have resulted in United States wheat prices being maintained unusually high relative to the "world market" price.

Recent rains have facilitated plowing for fall grain seeding in the Atlantic States, the eastern and northern portions of the Ohio Valley, the western lake region and the upper Mississippi Valley. Some seeding has already been done in the earlier sections. In most sections of the Great Plains area, it has continued dry and plowing and seeding have been delayed. It is also too dry for plowing in the North Pacific wheat sections. A continuation of dry weather will tend to reduce the number of acres sown to wheat. However, a considerable reduction would still leave enough acres with average yields to

produce a surplus for export and reduce domestic prices to world levels. The four short wheat crops which we have just experienced have been primarily the result of extremely low yields per acre. The acres seeded have been large. In fact, the acreage seeded for the 1936 crop was the second largest on record. Seedings as large for the 1937 crop would produce enough wheat for average domestic utilization even if yields per acre should turn out to be one-fourth below average.

Crop Prospects

The 1936-37 world wheat production, exclusive of Russia and China is estimated at 3,444,000,000 bushels compared with 3,552,000,000 bushels for the preceding year. This represents a decrease of 3 percent.

Canada.- The month of July, with its continued drought and extremely high temperatures, was one of the most disastrous ever experienced by Canadian farmers. At the end of July prospects were well below the long-time average. Condition figures for spring wheat dropped from 81 on June 30 to 45 on July 31, a decline of 36 percent. During August the drought extended into parts of the country which had not been affected earlier. Harvesting is now nearing completion and threshing is proceeding rapidly. Wheat is said to be of exceptionally high protein content. The 1936 fall sown wheat crop is estimated at 11,637,000 bushels compared with a production in 1935 of 12,601,000 bushels. The yield per acre of 23.7 bushels in 1936 is 1 bushel per acre more than the 1935 yield.

Europe.- Present estimates of production in Europe indicate a crop 5 percent below that of 1935. The total of 26 European countries excluding the Danube Basin, indicates a reduction of 12 percent from the 1935 crop. Present estimates of production in the Danubian countries point to a 23 percent increase over last year.

In France warm sunny weather has done much to improve the condition of the wheat still in the field, which had been deteriorating because of excessive moisture. The specific weight is said to be low with much of the wheat far below milling standards. In Germany, wet weather during July and August has cut the harvest down below expectations.

Soviet Russia.- Wheat crop prospects in the Soviet Union appear to be definitely less favorable this year than last, as the result of unfavorable weather conditions, particularly drought. The best crop prospects are reported from the southern export regions, though the outlook there is less promising than last year. In both the Volga region and parts of the East, yields below last year and in some cases even below average, are expected.

Argentina.- During July the ground was excessively wet making it unsuitable for seeding over large areas. During the first 2 weeks of August conditions remained largely unchanged, and it was reported that a substantial acreage intended for wheat still remained unplanted. Later, conditions became more favorable and sowings proceeded rapidly. The acreage sown this year is officially estimated at 16,803,000 acres. Beneficial frosts have been received and sprouted fields are said to be in excellent condition. Based on weather to date and average conditions for the rest of the year, a production of 215,000,000 bushels is indicated by weather and yield correlation studies.

Australia.- General crop conditions in Australia are reported to be favorable but excessive rains in many parts of the country are causing too sappy growth.

Asia.- The August estimate of production for 1936 in India is 352,240,000 bushels or 11,000,000 bushels less than the production in 1935. The preliminary estimate of production in Turkey is 80,281,000 bushels.

North Africa.- The first official estimate of production in Algeria is 28,476,000 bushels or 15 percent less than last year's production. The total of the four countries reported is estimated at 97,082,000 bushels or 14 percent less than the total reported for 1935.

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:				
United States	551,683	526,393	623,444	632,745
Canada	281,892	275,849	277,339	1/210,000
Mexico	12,122	10,950	10,712	13,007
Total (3)	845,697	813,192	911,495	855,752
Europe:				
England and Wales	58,725	65,259	60,592	52,453
Scotland	3,472	4,144	4,443	3,380
Northern Ireland	227	363	362	2/ 300
Irish Free State	1,983	3,803	6,687	2/ 9,500
Norway	755	1,204	1,707	3/ 1,300
Sweden	26,337	28,376	23,611	3/ 22,000
Denmark	11,543	12,847	14,672	3/ 13,600
Netherlands	15,325	18,042	16,653	15,954
Belgium	15,067	16,134	14,780	15,726
France	362,330	338,513	284,950	4/242,500
Spain	138,235	186,836	157,984	121,490
Luxemburg	995	1,171	1,022	(1,000)
Portugal	15,073	24,690	23,406	8,377
Italy	298,548	233,064	283,455	4/238,800
Switzerland	4,957	5,342	5,824	(4,703)
Germany	205,920	166,547	171,481	5/176,735
Austria	14,615	13,305	15,590	3/ 14,700
Czechoslovakia	72,896	50,014	62,095	3/ 60,600
Greece	28,385	25,679	26,401	23,743
Poland	79,883	76,440	73,884	3/ 77,200
Lithuania	8,192	10,475	10,093	3/ 8,800
Latvia	6,725	8,051	6,520	3,050
Estonia	2,451	3,107	2,267	2,315
Finland	2,460	3,280	4,233	4,688
Malta	305	310	179	(200)
Albania	2,380	1,579	2,000	(2,000)
Total (26)	1,377,784	1,298,575	1,274,891	1,125,114
Bulgaria	55,454	39,595	47,925	55,850
Hungary	96,356	64,824	84,223	88,074
Rumania	119,072	76,553	96,440	121,253
Yugoslavia	96,582	68,328	73,101	105,711
Total (4)	367,464	249,300	301,689	370,888
Total Europe (30)	1,745,248	1,547,875	1,576,580	1,496,002

Continued

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37 continued

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Africa:				
Algeria	31,998	43,528	33,532	28,476
Morocco	28,902	39,586	20,036	15,531
Tunisia	9,186	13,779	16,534	7,716
Egypt	39,951	37,277	43,222	45,359
Total (4)	110,037	134,170	113,324	97,082
Asia:				
Palestine	1,633	3,050	3,785	(3,500)
Syria and Lebanon	13,476	13,438	20,043	(18,000)
India	352,987	351,829	363,179	352,240
Japan	40,410	47,660	48,721	46,216
Chosen	8,887	9,268	9,747	(9,000)
Turkey	99,637	99,711	92,640	80,281
Total (6)	517,030	524,956	538,115	509,237
Total 43 countries	3,218,012	3,020,193	3,139,514	2,958,073
Estimated Northern Hemisphere total excluding Russia and China	3,263,000	3,066,000	3,186,000	3,004,000
Southern Hemisphere:				
Argentina	286,120	240,669	139,625	6/215,000
Australia	177,338	133,394	142,308	7/(150,000)
Union of South Africa	11,762	15,343	20,208	(12,000)
Estimated world total excluding Russia and China	3,809,000	3,513,000	3,552,000	3,444,000

Compiled from official sources except as otherwise noted.

1/ Based on condition reports.

2/ Estimated in the London Office of the Foreign Agricultural Service.

3/ Estimated in the Berlin Office of the Foreign Agricultural Service.

4/ Estimated in the Paris Office of the Foreign Agricultural Service.

5/ Excludes Saar, since production for this territory was not reported prior to 1936. Production for Saar this year is reported at 405,000 bushels.

6/ Based on weather studies.

7/ Average yields indicate a crop of 143,000,000 bushels.

Rye Prospects

The 1936 European rye crop is indicated to be larger than the production of last year. The 14 countries reporting to date show a total of 482,043,000 bushels compared with 468,450,000 bushels in 1935. This increase is due largely to increases in Germany and in the Danubian countries. Netherlands also reports a slightly larger crop. Due to the drought, production in the United States is greatly reduced, this year's production being 54 percent below that of last year. Winter rye in Canada is reported at 4,046,000 bushels compared with 7,795,000 bushels in 1935.

Table 2.- Rye: Production in specified countries, 1933 to 1936

Country	1933	1934	1935	1936
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	21,418	17,070	58,928	27,095
Canada 1/	3,332	3,588	7,795	4,046
Total (2)	24,750	20,658	66,723	31,141
Austria 1/	26,314	21,853	22,314	18,070
Belgium	22,310	22,222	18,522	14,094
Bulgaria 1/	9,293	6,074	6,576	8,668
Estonia	8,735	9,064	6,804	6,378
Finland	14,672	15,544	13,760	13,881
Germany	343,570	299,496	294,399	2/ 313,368
Greece	2,800	2,466	2,312	2,531
Hungary	37,654	24,380	26,628	28,660
Latvia	13,979	16,210	14,326	11,653
Netherlands	15,601	19,788	18,434	19,735
Portugal	4,210	4,913	3,937	3,661
Rumania	17,555	8,308	12,724	15,747
Spain	20,702	21,567	19,206	18,053
Turkey	13,430	9,590	8,508	7,544
Total (14)	550,825	481,475	468,450	482,043

1/ Winter only.
2/ Excludes the Saar, since production for this territory was not reported prior to 1936. The production reported for the Saar this year is 866,000 bushels.

Prospective Wheat Supply and Utilization by Classes for 1936-37

While total supplies of wheat in the United States for the 1936-37 season are large enough for the usual domestic requirements, supplies of hard red spring wheat and durum wheat are short. In spite of about a 6 percent increase in the seeded acreage, the production of hard red spring wheat and durum is small as a result of the drought, which reached its greatest intensity in the area specializing in the production of these two types of wheat. The domestic winter wheat crop this year is materially larger than that harvested in 1935 and is of good quality, and good yields are in prospect in the Pacific Northwest. It is probable that spring wheat mills in the 1936-37 season will use a larger percentage of hard red winter and Pacific Northwest

wheat than last year. A larger than usual quantity of soft red winter wheat is also likely to be used in bread flour. Accordingly, the quantity of full duty bread wheat imported in 1936-37 is expected to be less than in 1935-36. In the case of durum wheat, which is used in the manufacture of macaroni and related products, substitution of other kinds of wheat is unsatisfactory, and the short supplies available will probably result in some increase in imports of such wheat. The probable reduction in imports of full duty hard red spring wheat, however, should more than offset the increase in durum imports and result in total imports of these two types lower than last year. During the 1935-36 season, total imports of full duty wheat amounted to 26,000,000 bushels, while exports and shipments amounted to 7,000,000 bushels, making net imports of 28,000,000 bushels.

Preliminary estimates of the prospective supplies and utilization of wheat, by classes, for the coming year, as well as those for 1935-36 are shown in table 3.

Table 3.- Wheat: Supply and distribution by classes, 1935-36 and 1936-37

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
For 1935-36:	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Stocks, July 1, 1935						
On farms	19	13	7	1	4	44
Country mills and elevators	11	5	5	1	10	32
Commercial	9	5	6	1	1	22
In mills 1/	33	10	10	2	2	57
Total stocks	72	33	28	5	17	155
New crop	203	204	107	24	85	623
Imports 2/	---	---	31	4	---	35
Total supply (1935-36)	275	237	166	33	102	813
Exports 3/	3	1	---	---	3	7
Disappearance	213	208	128	26	81	656
Stocks, July 1, 1936	59	28	38	7	18	150
For 1936-37: (Prospective)						
Stocks, July 1, 1936						
On farms	11	14	12	3	4	44
Country mills and elevators	6	4	5	1	8	24
Commercial	6	3	8	2	2	21
In mills 1/	36	7	13	1	4	61
Total stocks	59	28	38	7	18	150
New crop 4/	260	207	58	10	98	633
Total supply (1936-37)	319	235	96	17	116	783
Exports 3/	3	1	---	---	3	7
Disappearance	259	209	80	19	93	660
Stocks July 1, 1937	57	25	30	4	20	136
Deficit 5/	---	---	14	6	---	20

1/ Includes stocks "in merchant mills","in transit to merchant mills" and "stored for others by merchant mills".
2/ Includes full-duty wheat plus 10 percent ad valorem wheat.
3/ Includes wheat and flour in terms of wheat.
4/ August 1, 1936 indication.
5/ Estimates for full-duty wheat only; deficit of 10 percent ad valorem wheat not predictable at this time.

Hard red spring wheat production on August 1 was estimated at 58,000,000 bushels for 1936. This, together with an estimated carry-over of 38,000,000 bushels, results in total supplies of 96,000,000 bushels, which represents a reduction of 70,000,000 bushels in hard red spring supplies from the 166,000,000 bushels 1/ for the year earlier. Total supplies of hard red winter wheat consisting of a crop estimated at 260,000,000 bushels and a carry-over estimated at 59,000,000 bushels, amount to 319,000,000 bushels, an increase of 44,000,000 bushels over the 275,000,000 bushels of a year earlier. Total supplies of white wheat this year are about 14,000,000 bushels greater than last year. Compared with last year, it appears, therefore, that there will be an excess of about 58,000,000 bushels of hard red winter and white wheat available, which could be used by millers in the place of hard red spring wheat, or could be used for other purposes, thereby releasing additional quantities of wheat which could be substituted for hard red spring. The larger supply of hard red winter wheat, which is of high milling quality this year, and a possible increase in the use of soft wheat for bread flour suggest a deficit of about 14,000,000 bushels of hard red spring wheat, assuming that the carry-over will be reduced from 38,000,000 bushels to perhaps 30,000,000 bushels.

The durum wheat crop is tentatively placed at only 10,000,000 bushels. This, together with a carry-over of 7,000,000 bushels, would provide a total supply of only 17,000,000 bushels of durum wheat. A utilization of 19,000,000 bushels seems to be about the minimum which may be expected, considering that about 12,000,000 bushels of durum is usually ground, 5,000,000 bushels is used for seed and some fed. Based on past experience, a carry-over of 4,000,000 bushels seems to be about as low as might be expected. With a carry-over of this size on July 1, 1937 a utilization of 19,000,000 bushels would represent a deficit of 6,000,000 bushels. As shown in table 3, the total supply of soft red winter wheat in prospect differs very little from the total supplies for 1935-36.

Total domestic supplies of all wheat for 1935-36 are indicated to be 783,000,000 bushels consisting of 150,000,000 bushels of carry-over on July 1 and a prospective crop, based on August 1 indications, of 633,000,000 bushels. The estimate of domestic utilization for the year includes 495,000,000 bushels for milling, 80,000,000 for seed and 85,000,000 for feed. The amount of feed is somewhat higher than usual because it is felt that the small corn crop and high corn prices, together with a considerable quantity of wheat of low milling quality in our carry-over, will result in considerable wheat feeding. Exports and shipments in 1936-37 will probably be not much different from 1935-36 when they amounted to 300,000 bushels of wheat and 6,800,000 bushels of flour in terms of wheat. If carry-over stocks and crop prospects are borne out, and a 660,000,000 bushel disappearance, and exports and shipments of 7,000,000 bushels are assumed, there would be 116,000,000 bushels, exclusive of imported wheat, available for carry-over at the end of the year. If, however, the estimated prospective deficit of hard red spring and durum wheat is taken care of by imports, this carry-over would be increased to 136,000,000 bushels.

1/ Includes imports of 31,000,000 bushels, of which 22,000,000 bushels was full-duty and 9,000,000 bushels 10 percent ad valorem wheat.

No allowance has been made for imports of wheat "unfit for human consumption" in 1936-37, because it is too early to know how much of such wheat will be available in the new Canadian crop, from which we would be expected to draw. Although imports of this type of wheat would tend to reduce the amount of domestic wheat fed to livestock they would, at the same time, probably increase the total utilization, or, in the event they were not all used before July 1, 1937, increase the size of the carry-over. In 1934-35, imports of this type of wheat totaled 8,000,000 bushels and last year, 9,000,000 bushels.

Table 4.- Wheat: Supply, distribution, and disappearance in the continental United States in recent years

Item	Average 1923-24 to 1927-28	1932-33	1933-34	1934-35	1935-36	1936-37 1/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Carry-in stocks	124.6	385.2	394.0	288.4	154.7	150.4
Production	795.1	757.0	551.6	526.4	623.4	632.7
Imports	3.4	----	.2	14.0	34.7	
Total supply	923.1	1142.2	945.8	828.8	2/812.8	
Exports and shipments 3/	181.4	34.9	28.4	13.3	7.1	
Carry-out stocks	122.0	394.0	288.4	154.7	150.4	
Total, 2 items	303.4	428.9	316.8	168.0	157.5	
Domestic disappearance	619.7	713.3	629.0	660.8	655.3	

1/ Preliminary.
2/ Total supply for 1935-36, "World Wheat Prospects" for July, page 8, was published in error as 832.9; individual items, of which it was composed, were correct. Also, disappearance for food, feed, and loss was printed as 590.3 instead of 570.3.
3/ Includes flour in terms of wheat.

PRICES

Wheat prices advanced sharply during the latter part of July and early August largely because of deterioration of the crop in Canada. Since early August domestic prices have remained relatively steady while prices in "world markets" have generally declined. As a result, the spread between domestic and foreign markets has widened. Currently this spread has been less than a year earlier, mainly because of relatively larger early supplies of hard winter wheat on the domestic market this year but also to higher quality wheat at Liverpool. For the week ended August 22 parcels at Liverpool averaged about 13 cents higher than No. 2 Hard Winter at Kansas City, whereas in August 1935 the spread averaged 18 cents. The average spread for the whole of the 1935-36 season was 15 cents.

The average United States farm price of wheat for August 15 was 105.1 cents per bushel compared with 94.4 cents a month earlier and 80.8 cents in August 1935. In mid-June wheat prices were adjusting down to a shipping differential under Liverpool because it was then expected that the United States would have a large enough surplus to be on an export basis. However, as drought conditions began to reduce spring wheat crop prospects, prices strengthened and, as conditions grew worse, registered the sharpest gains in recent years. The weekly average price of all classes and grades of wheat rose over 40 cents from the low point in the middle of May to early August. Recent average weighted weekly prices of wheat at important domestic and world markets are shown in tables 5-7.

Table 5.- Wheat: Closing Saturday prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	96	114	96	114	106	126	4/ 85	106	81	115	5/ 66	6/ 117
Low 3/	82	86	78	81	102	88	4/ 80	76	70	82	5/ 56	6/ 92
July 25	94	104	94	102	100	117	4/ 85	92	77	101	7/ 65	7/ 100
Aug. 1	92	114	91	113	100	126	4/ 84	102	78	111	7/ 64	7/ 109
8	92	112	92	112	105	126	4/ 84	103	78	112	7/ 63	7/ 107
15	88	111	90	113	102	124	83	99	78	110	7/ 63	7/ 110
22	91	112	92	113	106	124	85	98	81	109	7/ 63	8/ 105

1/ Conversions at noon buying rate of exchange. 2/ Prices are of day previous to other prices. 3/ June 1 to date. 4/ August futures. 5/ August and October futures. 6/ September and October futures. 7/ October futures. 8/ November futures.

Table 6.- Wheat: Weekly weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	101	128	106	126	128	150	120	166	94	120	78	97
Low 2/	93	90	85	89	102	118	100	104	85	95	73	78
July 25	96	110	99	111	111	134	104	142	88	107	76	91
Aug. 1	100	117	106	117	125	140	120	152	94	112	76	94
8	98	127	104	122	128	150	117	166	93	116	76	97
15	96	128	102	122	123	144	118	148	91	118	75	97
22	97	127	103	126	127	144	118	144	93	120	76	

1/ Weekly average of daily cash quotations, basis No. 1 sacked. 2/ June 1 to date.

Table 7.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, June-August 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/	Paris 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
June 6	91.3	119.5	71.1	90.8	85.7	90.6	232	165
13	89.4	118.2	71.2	91.3	85.3	90.7	232	176
20	95.7	123.6	73.9	91.9	88.3	89.8	232	179
27	101.8	132.5	76.7	91.5	90.3	89.6	232	176
July 4	100.3	124.5	77.2	92.2	90.1	90.8	233	177
11	111.4	139.3	85.3	95.7	98.7	91.9	233	179
18	111.3	134.6	87.9	97.2	100.2	94.3	233	182
25	111.4	133.8	89.2	99.8	102.7	96.4	232	187
Aug. 1	117.4	139.7	94.7	107.0	106.2	98.5	232	201
8	121.8	150.0	102.5	111.6	115.9	100.8	232	204
15	121.7	144.3	97.4	108.0	112.2	104.3		
22	125.7	143.7	97.7	107.7	112.5			

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin and Paris prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, and Paris are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Central German wheat, wholesale trade price free Central German Station.
7/ Free market prices from January 1, 1935.

European Import Prospects 2/

European wheat imports in 1936-37 are expected to show some significant increase compared with last year. A sharp upturn would be certain were it not for the larger surplus in the Danube Basin. Imports into the United Kingdom during 1936-37 may not increase, despite a smaller domestic crop, if the rate of decline in utilization which apparently took place during the past season continues. Supply data indicate that British wheat requirements in 1935-36 declined 3 or 4 percent below 1934-35. Extensive importations will be required by a bloc of continental countries, including Holland, Belgium, France, and Italy.

France is expected to need a considerable quantity of foreign wheat, despite a fair sized carry-over. This situation is a result of prospects for a reduced crop not only in France but also in French North Africa, which has been the source of most wheat imports into France in recent years. Present indications point to an available quantity of domestic and North African wheat of around 286,000,000 bushels. This quantity includes the present crop, forecasted by the Paris office at 242,500,000 bushels, prospective imports from North Africa of only about 9,186,000 bushels and a carry-over, including the Government security stock, of approximately 35,000,000 bushels. In France the annual consumption of wheat, including durum, and the net trade in both wheat and wheat products during recent years, has been around 323,000,000 bushels. On the basis of these figures, the difference between consumption and supply requirements indicates a deficit of about 37,000,000 bushels. The French authorities, however, have repeatedly claimed that domestic consumption has declined markedly, and also that the carry-over figure is not definitely known. Even when some allowance for these uncertainties is made it still seems certain that extensive purchases of foreign wheat will be required.

In Italy the carry-over of old wheat is at a minimum and, unless there is a forced reduction in consumption, imports during the coming season are expected to be heavy, probably amounting to at least 35,000,000 bushels. In accordance with the Rome agreement there are contracts for the purchase of 7,350,000 bushels of bread wheat from Hungary. The new wheat crop in Germany plus carry-over stocks should about cover domestic requirements. However, in view of the fact that the reaccumulation of stocks seems to be desired by the authorities, it is entirely probable that Germany may avail herself of a possibility to get hold of considerable amounts of Danubian, particularly Yugoslavian, wheat this year. During the past season, Germany imported very little wheat. The carry-over stocks in Spain would seem, statistically, to about offset the reduced crop and make imports unnecessary, but the continuation of present internal military activities would alter the situation. In Portugal, a heavy carry-over exists and should fully offset the small crop.

The Danube Basin surplus is estimated at about 82,300,000 bushels, which, if exported, will closely approach the record post-war exports of 1931-32. A considerable portion of the crop, especially in Hungary, has already been arranged for through compensation or special clearing agreements with Austria, Italy, and Switzerland, and most of the exports will probably be arranged for in a similar way. Poland should also have surplus wheat, but possibly less than last year. Very limited, if any, wheat exports are expected from the Baltic States and Sweden.

2/ From reports of foreign offices of the Foreign Agricultural Service.

The World Durum Wheat Situation in 1936-37 3/

The production of durum wheat in 1936 in the six important countries which enter into the international durum situation - United States, Canada, Italy, Morocco, Algeria, and Tunisia - is expected to be one of the smallest on record. Estimates for 1936 for Canada are not available, but production in the other five countries is preliminarily estimated at about 95,000,000 bushels (table 8) compared with the 1935 production of 129,000,000 bushels and the 1930-34 average of 140,000,000 bushels. The carry-over supplies of durum wheat are very small in the western Mediterranean countries, and in the United States only about 40 percent of the average carry-over for the period 1930-34, when, however, supplies were somewhat larger than in previous years. (See also table 3.)

Table 8.- Durum Wheat: Estimated production, specified countries, 1930-36

Country	Average 1930-34	1934	1935	1936
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Italy	1/ 58,058	57,797	55,850	51,440
Morocco	20,734	27,925	13,885	11,758
Algeria	22,594	28,322	24,453	18,372
Tunisia	9,134	9,553	11,023	4,777
Total Mediterranean Basin	110,520	123,597	105,211	86,347
United States	29,716	6,891	23,878	9,031
Total	140,236	130,488	129,089	95,378

1/ Average 1931-1934

The estimates of the 1936 durum wheat crop in the western Mediterranean countries represent a marked reduction from the 1935 harvest. While the Italian crop is placed at only 8 percent under that of 1935, the total outturn in Algeria, Morocco, and Tunisia is about 29 percent below that of last year and 33 percent less than the average production during the years 1930 to 1934. The small outturns are attributed not only to the lightness of the rainfall but also to its uneven distribution. Excessive rains late in the spring followed dry weather during the autumn months, which retarded seeding and field work. In addition to the six countries named above, France, Russia, Rumania, Spain, India, Argentina, China, and Japan also produce durum. The French crop is not large, even in normal years, and is believed to have little influence on the market. Russia was formerly the most important exporter of durum wheat in the world but in recent years has played almost no part in international trade. Nothing is known concerning the current durum crop in Russia, but it is possible that some exports may be made this season if demand is sufficiently strong. Although Spain ordinarily produces more durum than France, in most years it plays little part in international trade and is not expected to this year because of a greatly reduced crop.

3/ Based on a report from the Paris office of the Foreign Agricultural Service.

International trade in durum during 1936-37 will consist largely of exports from Canada to the United States, and shipments from Algeria to France, with Italy probably drawing upon neighboring Danubian States or Russia for supplies, in addition to Canada. According to trade information, practically all of the best quality milling Canadian durum held at Lake Head Canadian ports has been purchased for shipment to the United States. The Algerian exportable surplus is estimated at between 3,000,000 and 4,000,000 bushels, which will probably satisfy only about half of France's requirements. Domestic supplies in Italy suggest imports of between 5,000,000 and 6,000,000 bushels. Morocco and Tunisia appear to have a combined deficit of some 7,000,000 bushels. However, this will be largely offset by heavy utilization of other grains, such as corn or barley, and will have little influence on the volume of international trade.

The World and Domestic Wheat Outlook

Drought and rust have been major factors contributing to the reduction in excessive world stocks of wheat accumulated from 1929 to 1933. Near normal yields on present world acreage would result in crops about equal to the average production during the years 1928 to 1932, when, despite larger utilization than at present, stocks accumulated rapidly and prices were depressed.

Table 9 shows the average world supply and distribution for 1923-24 to 1927-28, the last 5-year period before the accumulation of excessive world supplies. The table also shows the situation in 1933, when world wheat supplies were the largest on record. The last column shows estimates for the current season based on prospects to date, and indicates that total supplies have been reduced to about the 1923-24 to 1927-28 level. Table 11 shows July 1 stocks in major exporting countries and afloat beginning with 1922.

Table 9.- Wheat: World, excluding Russia and China, supply and distribution in selected years

Item	1923-24 to 1927-28	1933-34	1936-37 1/
	Million bushels	Million bushels	Million bushels
Carry-in stocks	685	1,189	744
Production	3,439	3,809	3,437
Exports from Russia	20	34	(20)
Total supply	4,144	5,032	4,161
Carry-out stocks	724	1,250	
Disappearance	3,420	3,782	

1/ Preliminary.

The acreage seeded in the United States for the 1936 crop is estimated at about 74,500,000 acres compared with about 69,500,000 acres seeded for the 1935 crop. There had previously been a decline in acreage, the area seeded for harvest in 1928, the average acreage seeded for harvest in 1930 to 1932, and the acreage seeded for harvest in 1934, being 71,000,000 acres, 66,300,000 acres and 63,500,000 acres, respectively.

Seedings for the crop of 1935 were influenced by modifications in requirements under the Agricultural Adjustment Program and by increases on the part of noncontract signers. In the summer of 1935 it was announced that those who signed the Wheat Adjustment Contract for 1936 to 1939 would be permitted to plant 95 percent of their 1936 base acreage. Many growers, however, had seeded winter wheat in the fall of 1935 before the new contract was offered to them, and there was a tendency for farmers to plant larger acreages than they seeded in 1934. Moreover, many producers whose ratio of wheat acreage to crop land was relatively small did not sign applications for contracts last fall and much of the increase in seedings by former contract signers can be attributed to this group. The 1936 Agricultural Conservation Program provides for payment for a diversion to soil-conserving crops of not to exceed 15 percent of the general soil depleting base, which includes many other crops besides wheat. Growers participating in this program were not required to make any adjustment in wheat if they had been raising other soil-depleting crops from which diversion could be made to soil-conserving crops.

The acreage seeded to wheat for the 1936 crop was the second largest on record, and seedings as large for the 1937 crop would produce enough wheat for average domestic utilization even if per-acre yields should turn out to be one-fourth below average. Stated another way, on the basis of the 1925-34 average yield per seeded acre (11.8 bushels), an acreage in excess of 60,000,000 acres would probably result in a surplus for export. With the likelihood of an acreage considerably larger than this, average yields in 1937 would result in United States prices being lower relative to Liverpool than in the past 3 years, and it is altogether possible that they might result in average farm prices 20 to 30 cents less than if the United States continued on a domestic or import basis.

Table 10 shows the prices of wheat at Liverpool and at important domestic markets for the 1923-24 to 1927-28 period, when the United States was exporting wheat and before the large surpluses accumulated. Prices are also shown for the last 4 years, three of which we have either been on a domestic or import basis. Based on the figures in this table, the price of No. 1 Hard Amber Durum at Minneapolis (price adjusted for changing price level) averaged 47 cents higher in the last 3 crop years, relative to Liverpool than it did in the 5 years ended in 1927-28; No. 1 Dark Northern Spring at Minneapolis and No. 2 Hard Winter at Kansas City averaged 34 and 31 cents higher, respectively, while No. 2 Red Winter at St. Louis and No. 1 Western White at Seattle averaged 22 cents and 16 cents higher, respectively.

If the United States should produce a surplus large enough to place the country on an export basis in 1937-38, and if production should be fairly normal so that there would not be a shortage in any one class of wheat, it is reasonable to assume that tendencies would develop to wipe out these price differences.

Table 10.- Wheat: Average annual prices at Liverpool and important domestic markets for specified periods

Item	Av. 1923-24 to 1927-28	1932-33	1933-34	1934-35	1935-36
	Cents per bushel	Cents per bush.	Cents per bush.	Cents per bush.	Cents per bush.
Liverpool, parcels	156.0	53.8	68.2	80.6	90.0
Kansas City, No. 2. Hard Winter	134.7	50.9	88.5	98.1	105.1
Minneapolis, No. 1 Dark Northern Spring	147.8	60.8	91.3	116.4	126.0
Minneapolis No. 2 Hard Amber Durum	138.4	58.4	103.2	137.7	112.8
St. Louis No. 2 Red Winter...	144.4	55.2	94.3	93.9	94.9
Seattle No. 1 Western White..	135.2	52.1	75.4	83.9	82.9

New Government Measures in Europe 4/

Government policy during the coming season with respect to wheat has now been announced in several European countries. In general, increased governmental control or influence over the grain trade is indicated. Italy in particular has announced new government measures for controlling the grain trade, which appear to be surpassed in their completeness only by the Soviet Union. The German grain control authorities are continuing the wheat and grain market control in approximately the same way as in the past season. The law and ordinance of July 10 and 11, respectively, however, provide for a stricter supervision and regulation of feed grain markets and prices, and place special emphasis on refilling depleted stocks of bread rye. Following weeks of discussion the wheat monopoly in Czechoslovakia has now been prolonged to June 30, 1940. An attempt to influence wheat acreage by a reduction in prices to farmers who do not comply by planting a smaller acreage, is planned. The French wheat office recently announced a fixed price for August of $2.50 per bushel 5/, which price is to be increased 1.79 cents per month to January, inclusive, and 2.69 cents thereafter, so that the July price will be $2.74. The price applies to wheat weighing 55.9 pounds per bushel. Prices for other weights have not yet been established.

A system of fixed or minimum prices has now been established for all Danube Basin countries, and premiums are to be paid on wheat and flour exports by the Government. In Bulgaria and Yugoslavia the grain monopoly organizations are to receive government funds with which to operate and make exports possible should domestic price levels be out of line. A good share of the Hungarian wheat surplus has been arranged for at advanced prices in accordance with the Rome Agreement.

4/ From reports of foreign offices of the Foreign Agricultural Service.

5/ Conversions at current rates of exchange.

In Morocco, the Government has prohibited the exportation of both durum and bread wheats and has placed an export tax of 10 percent ad valorem on corn and barley. This has been done to assure the provisioning of the native population and to prevent speculation in these foodstuffs.

The European Wheat Market Situation

Import trading of wheat was fairly active and prices advanced during the month of July under the influence of persistent complaints about the crop situation in the North American, in the Soviet Union and in the Western Mediterranean countries. Buying on the part of Great Britain, notably of Manitobas and Australian wheat, was extensive and Holland, as well as Belgium, took fairly large quantities of various descriptions, including Rumanian and Bulgarian varieties. Austria purchased a significant quantity of Hungarian wheat. In August a part of the July price gain was lost, however, as the result of free European offerings, slow demand and improved European harvesting weather.

Table 11.- Wheat: Stocks in major exporting countries and afloat, as of July 1, 1922 to date

Year	United States 1/	Canadian grain 2/	Argentina	Australia	United Kingdom 3/	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1922	115	48	81	27	61	332
1923	138	45	66	39	56	344
1924	145	67	77	36	62	387
1925	118	47	71	37	51	324
1926	106	62	83	28	53	332
1927	124	66	87	47	59	383
1928	126	128	105	44	61	464
1929	250	152	153	48	61	664
1930	308	154	68	58	44	632
1931	340	158	92	78	56	724
1932	401	161	71	59	56	748
1933	398	238	96	71	44	847
1934	288	222	141	102	48	801
1935	155	226	103	69	38	591
1936	150	155	73	51	39	468

Compiled as follows: United States -- Stocks on farms, stocks in country mills and elevators, commercial stocks, stocks in merchant mills and elevators, in transit to merchant mills and elevators and stocks stored for others by merchant mills. Canada -- 1922 to 1923, carry-over August 31 plus net exports during July and August; 1924 to date, carry-over July 31 plus net exports for July. Argentina -- carry-over on December 31 plus exports July 1 to December 31. Australia -- Carry-over on December 1, plus net exports July 1 to November 30, except the years 1922-24 which are exports only, for July - December 31.

1/ Includes United States wheat in Canada.

2/ Includes Canadian wheat in the United States.

3/ Includes stocks in United Kingdom ports, supplies afloat to United Kingdom, Continent and for orders.

Table 12.- United States: Exports of wheat and wheat flour, 1935-36 and 1936-37 1/

Week ended	Wheat		Wheat flour		Wheat including flour	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July 4..	0	5	9	25	42	123
11..	0	0	32	26	150	122
18..	2	0	34	16	162	75
25..	0	0	16	22	75	103
Aug. 1..	2	40	8	22	40	143
8..	1	0	25	42	119	197
15..	0	5	23	7	108	38
22..	0	23	14	31	66	169

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 13.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1935-36 and 1936-37

Week ended	Argentine		Australia		Danube		North America	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 4..	3,148	928	940	516	248	96	1,736	5,328
11..	2,308	856	2,564	880	248	168	1,648	5,360
18..	3,100	588	1,320	848	96	656	2,360	5,720
25..	1,380	1,592	1,668	708	0	352	2,944	4,280
Aug. 1..	1,504	1,452	1,472	1,212	16	736	2,720	5,688
8..	2,948	588	1,008	960	0	640	1,560	6,848
15..	1,312	1,060	1,188	1,888	0	712	2,880	5,616

Compiled from Broomhall's Corn Trade News.

Table 14.- Wheat, including flour: Movement from principal exporting countries, 1933-34 to 1936-37

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1933-34	1934-35	1935-36	1934-35	1935-36	1936-37	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	37,002	21,532	15,930	2,168	1,231	1,389	July 31
Canada	198,555	169,630	237,447	14,815	10,937	27,915	July 31
Argentina	144,854	187,000	76,577	16,984	11,344	4,498	July 31
Australia	86,509	108,010	1/265,314				
Russia	33,787	4,286	2/28,816				
Hungary	29,615	12,499	1/11,944				
Yugoslavia	839	4,401	1/ 174				
Rumania	248	3,432	1/9,996				
Bulgaria	4,236	375	1/ 954				
British India	2,084	2,318	3/2,164				
Total	537,729	513,483	649,316				

Country	Shipments as given by trade sources						
	Total		Week ended			July 1 - Aug. 29	
	1934-35	1935-36	Aug. 15	Aug. 22	Aug. 29	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 4/	162,832	219,688	5,616	4,762	4,311	21,072	47,913
Canada, 4 markets 5/	176,059	246,199	5,737	5,665	3,790	65,906	41,794
United States	20,997	14,207	38	155	290	2,509	2,065
Argentina	186,228	77,334	1,060	887	619	21,608	8,570
Australia	111,628	110,060	1,888	1,293	1,186	12,944	9,491
Russia	1,672	30,224	0	0	0	2,364	0
Danube & Bulgaria 6/	4,104	8,216	712	1,080	1,800	1,096	6,240
British India	2,318	1/2,164	0	272	24	0	496
Total 8/	468,782	447,736				59,384	72,710
Total European shipments 4/	387,752	355,032	7,016			9/32,856	9/40,696
Total ex-European shipments 4/	147,938	133,528	2,936			9/15,616	9/20,608

1/ Total of 11 months.
2/ Total of 9 months.
3/ Total of 10 months.
4/ Broomhall's Corn Trade News.
5/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
6/ Black Sea shipments only.
7/ Total exports as given by official sources.
8/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
9/ To August 15.

Table 15.- Wheat: Stocks in specified continental European countries, June 15 and July 15, 1935 and 1936

Position	1935 June 15	1935 July 15	1936 June 15	1936 July 15
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Ports:				
Antwerp	1,837	---	1,003	786
Rotterdam	698	536	342	919
United Kingdom (wheat and flour) 1/	10,325	10,435	9,921	---
Germany:				
Berlin (wheat and flour) 1/	306	283	223	206
"Second-hand" stocks (wheat and flour) 1/ 2/	---	57,801	45,268	36,413
Farm stocks 1/	10,215	4,777	10,141	4,997
Other:				
Swedish mill stocks of wheat 1/	4,042	3,494	3,943	---

1/ First of the month.

2/ In warehouses and flour mills. These totals are estimated to include 95 percent of all stocks in warehouses and flour mills, and therefore must contain most of the Berlin and Hamburg data.

3/ Preliminary.

Table 16.- Wheat, including flour: Net imports into European countries, year beginning July 1, 1933-34 to 1935-36

Country	1933-34	1934-35	Preliminary forecast 1935-36 (unofficial) 1/	Net imports reported July 1 to	1934-35	1935-36
	Million bushels	Million bushels	Million bushels		Million bushels	Million bushels
Austria	11	10	8	May 31	8	7
Belgium	43	40	40	May 31	37	36
Czechoslovakia	2/	1	3	June 30	3/	1
Denmark	12	19	8	June 30	19	9
Estonia	3/	3/	2/			
Finland	4	4	4	Apr. 30	4	3
France	18	4/-17	7	Apr. 30	4/ -8	6
Germany	4/ -4	11	1	June 30	11	3/
Greece	12	13	12	May 31	11	13
Irish Free State	19	18	15	June 30	18	15
Italy	8	10	13			
Latvia	0	2/	- 2	May 31	2/	4/ -2
Lithuania		2/	- 2			
Netherlands	24	19	21	June 30	19	21
Norway	9	9	8	June 30	9	8
Poland	4/- 2	4/- 4	- 7	June 30	4/- 4	4/- 8
Portugal	1	1	- 4	May 31	1	4/- 2
Spain	2/	2/	2/	May 31	2/	3/
Sweden	2	4/- 2	- 2	June 30	4/- 2	4/- 2
Switzerland	18	18	16	May 31	15	14
United Kingdom	216	202	201	June 30	202	205
Total imports	397	375	357		354	338
Total exports	6	23	17		- 14	- 14
Total, net imports	391	352	340		340	324

Compiled from official sources.

1/ Based on estimates furnished by foreign offices of the Foreign Agricultural Service.
2/ Net exports of less than 500,000 bushels.
3/ Less than 500,000 bushels.
4/ Net exports.
5/ Includes wheat shipped to Italian "colonies".

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September 1936

WORLD WHEAT PROSPECTS

Summary

Another large wheat acreage is in prospect in the United States, prompted by more attractive prices than at seeding time last year and this spring. Seedings of both winter and spring wheat for harvest in 1936 were approximately 74,500,000 acres, the largest on record except for 1919. Abandonment and crop loss due to unfavorable weather, however, were exceptionally large and resulted in small production. If yields of the crop for harvest in 1937 turn out to be one-fourth below average, the same acreage as seeded for harvest in 1936 would produce fully enough wheat for total domestic utilization. However, if yields should turn out to be near average or above, production would be in excess of domestic requirements and prices in the United States would fall to export levels.

Winter wheat seeding is making good progress generally, and the early seeded grain is coming to a good stand. During the past month the winter Wheat Belt, except in some northwestern districts and in the Pacific Northwest, has generally received sufficient rain to condition the soil properly for seeding, germination and early growth.

World wheat supplies outside of Russia and China in the 1936-37 season now appear likely to be about 290,000,000 bushels less than in 1935-36. While this represents a sharp decline from the very large supplies of recent years, supplies this year are still about 370,000,000 bushels larger than the 5-year average just before the accumulation of the very large surpluses.

Crop conditions now indicate that world production, excluding Russia and China, will probably be about 3,432,000,000 bushels or a decrease of about 118,000,000 bushels compared with last year, and the world carry-over, excluding Russia at the beginning of the current crop year was apparently about 775,000,000 bushels, or a decrease of about 170,000,000 bushels compared with a year ago. Very limited exports are expected by Russia this season. Changes during the last month included an increase in the Canadian estimate but this was largely offset by a reduction in the estimate for Australia. Small reductions in the estimates for other countries also occurred, notably the United States and Czechoslovakia.

The estimate of world stocks of old grain has been revised upward during the past month upon receipts of the first estimates for European countries made by the European offices of the Foreign Agricultural Service.

During the current season, the price of wheat parcels at Liverpool has reflected the relatively large proportion of high-priced Manitobas in their total takings, and futures in the same market have been affected likewise. While these relatively high prices in Liverpool have reduced the spread between United States markets and Liverpool as compared with the spread during the past 3 years, domestic prices still remain relatively high compared with world levels. A year ago Chicago futures were about 5 cents over Winnipeg futures whereas they are currently about 9 cents. Number 2 Hard Winter Wheat at Kansas City is currently about 25 or 26 cents above No. 3 Manitoba Northern compared with 22 cents a year ago.

With world carry-over stocks now reduced to about normal proportions, prices this year are more sensitive to changing crop conditions than they have been for several years. In the next few months, as the Argentine and Australian harvest approaches, crop conditions there will become increasingly important as a price factor.

Import requirements in prospect in Europe during 1936-37, are expected to be increased, as a result of reduction in both crops and carry-over. The imports of overseas wheat, however, are not expected to be greatly different from the takings of the past 2 seasons. While some increase is probable, the very large crop in the Danube countries seem likely to satisfy most of the apparent increased needs in Europe this year.

Expected reductions in import takings outside of Europe will probably be more than offset by the increased European imports so that the total import requirements in 1936-37 may be somewhat larger than in 1935-36 . These prospective requirements may be expected to reduce the world carry-over at the end of the season.

Wheat Crop Prospects

The 1936-37 world wheat crop, exclusive of Russia and China, is now estimated at 3,432,000,000 bushels compared with 3,550,000,000 bushels in 1935-36 and with 3,719,000,000 bushels, the average production during the past 5 years. Revisions in the estimates for several countries during the past month have decreased the total for the current season 12,000,000 bushels below the total indicated in August.

The estimate of the United States is now placed at 630,241,000 bushels compared with the August estimate of 632,745,000 bushels and with the 1935 crop of 623,444,000 bushels.

The first official estimate of the Canadian crop is 232,973,000 bushels compared with 277,339,000 bushels in 1935 and 275,849,000 bushels in 1934. The quality of this year's wheat is reported to be very high.

The estimate of the European wheat crop, excluding Russia, has undergone virtually no change during the past month, the present estimate being 1,488,497,000 bushels and the August total, 1,496,002,000 bushels. This estimate compares with 1,575,860,000 bushels harvested in 1935. The only change in European estimates of any significance reported during the month was a downward revision in the Czechoslovakian crop. Unfavorable weather during harvest was widespread throughout Europe except in the Danubian countries. The full extent of the damage cannot be determined until the final threshing results are known. In France, as the result of excessive moisture during ripening and harvesting seasons, the quality of the grain is poor not only because of light weight but also beacuse of keeping quality.

The estimates of the wheat production in the North African and Asiatic countries remain about the same as reported last month.

Conditions have been fairly favorable for growth in Argentina. There has been a deficiency of rain which can be overcome if adequate rains are received next month. Though the official estimate of area sownwas 16,803,000 acres, there is a widespread opinion that this figure is too low and will be revised upward. In trade circles, the acreage is estimated at 17,800,000 acres.

Rain is urgently needed in Australia. Though there has been virtually no rain during September, the temperature has been low, which has prevented the dry weather from doing its full damage. Crops are backward in the West and Southwest and there are rumors that conditions there are the worst since the short crop of 1914. Production in Australia is now tentatively forecast at about 125,000,000 bushels, a reduction of 25,000,000 bushels from the August forecast. Moisture in October, however, can still do much for the crop, and plentiful supplies might largely restore the estimate of 150,000,000 bushels.

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:				
United States	551,683	526,393	623,444	630,241
Canada	281,892	275,849	277,339	232,973
Mexico	12,122	10,950	10,279	12,993
Total (3)	845,697	813,192	911,062	876,207
Europe:				
England and Wales	58,725	65,259	60,592	53,088
Scotland	3,472	4,144	4,443	3,379
Northern Ireland	227	363	362	1/ 250
Irish Free State	1,983	3,803	6,687	1/ 9,500
Norway	755	1,204	1,707	2/ 1,300
Sweden	26,337	28,376	23,611	22,707
Denmark	11,543	12,847	14,672	2/12,900
Netherlands	15,325	18,042	16,653	16,472
Belgium	15,067	16,134	14,780	15,744
France	362,330	338,513	284,950	3/242,500
Spain	138,235	186,836	157,984	121,490
Luxemburg	995	1,171	1,022	1,022
Portugal	15,073	24,690	22,092	8,393
Italy	298,548	233,064	283,883	3/238,800
Switzerland	4,957	5,342	5,989	4,696
Germany	205,920	166,547	171,481	4/176,625
Austria	14,615	13,305	15,590	2/ 13,200
Czechoslovakia	72,896	50,014	62,095	54,049
Greece	28,385	25,679	26,401	23,743
Poland	79,883	76,441	73,884	2/ 77,896
Lithuania	8,192	10,475	10,093	2/ 8,300
Latvia	6,725	8,051	6,520	3,050
Estonia	2,451	3,107	2,267	2,326
Finland	2,460	3,280	4,233	4,714
Malta	305	310	179	(200)
Albania	2,380	1,579	2,000	(2,000
Total (26)	1,377,784	1,298,576	1,274,170	1,118,344
Bulgaria	55,454	39,595	47,925	55,850
Hungary	96,356	64,824	84,224	87,291
Rumania	119,072	76,553	96,440	121,253
Yugoslavia	96,582	68,328	73,101	105,703
Total (4)	367,464	249,300	301,690	370,097
Total Europe (30)	1,745,248	1,547,876	1,575,860	1,488,441

Continued -

Table 1.- Wheat: Production in specified countries, 1933-34 to 1936-37 - Cont'd.

Country	1933-34	1934-35	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Africa:				
Algeria	31,998	43,528	33,532	28,476
Morocco	28,902	39,586	20,036	15,531
Tunisia	9,186	13,779	16,534	7,716
Egypt	39,951	37,277	43,222	45,701
Total (4)	110,037	134,170	113,324	97,424
Asia:				
Palestine	1,633	3,050	3,785	(3,500)
Syria and Lebanon	13,476	13,438	20,043	(18,000)
India	352,987	351,829	363,179	352,240
Japan	40,410	47,660	48,721	46,216
Chosen	8,887	9,268	9,747	(9,000)
Turkey	99,637	99,711	92,640	80,281
Total (6)	517,030	524,956	538,115	509,237
Total 43 countries	3,218,012	3,020,194	3,138,361	2,971,309
Estimated Northern Hemisphere total excluding Russia and China	3,263,000	3,066,000	3,184,000	3,017,000
Southern Hemisphere:				
Argentina	286,120	240,669	139,625	5/215,000
Australia	177,338	133,394	142,308	(125,000)
Union of South Africa	11,762	15,343	20,209	(12,000)
Estimated world total excluding Russia and China	3,809,000	3,513,000	3,550,000	3,432,000

Compiled from official sources except as otherwise noted.
1/ Estimated in the London office of the Foreign Agricultural Service.
2/ Estimated in the Berlin office of the Foreign Agricultural Service.
3/ Estimated in the Paris office of the Foreign Agricultural Service.
4/ Excludes Saar, since production for this territory was not reported prior to 1936. Production for Saar this year is reported at 511,000 bushels.
5/ Based on weather studies.

Rye Prospects

Present indications point to a rye crop in Europe smaller than last year. The 19 countries reporting to date show a total of 804,996,000 bushels, compared with 815,043,000 bushels in 1935. Increased production in Germany and in the Danubian countries is more than offset by decreases in other European countries. Throughout Europe, with the exception of the Danube Basin, the weather has been unfavorable for both the growth and harvesting of rye. There is increasing evidence that in important producing countries the rye crop has suffered considerable damage, and further downward revisions may be necessary.

Although below normal, the rye situation is relatively more favorable in Europe than the wheat outturn inasmuch as weather conditions were generally better in the large rye producing areas than in the important wheat districts of the Mediterranean Basin. In Soviet Russia, however, the rye crop is considerably below the harvests of last year and other recent years on account of severe drought and unfavorable harvesting weather.

The quality of the rye crop in many central and northern European districts is reported rather poor and not so well suited for bread grain purposes as in most seasons. This situation together with the fact that there are fairly good feed crop supplies in Europe generally would seem to favor exports of rye, particularly for feed uses in deficit areas. The continuation of the present price relations between wheat and rye, however, together with the fact that much of the wheat in Central Europe this year is not of very good quality would seem to favor the domestic utilization of as large a part of the rye crop as possible. Such a utilization would, of course, be a restricting factor on rye exports in the surplus areas. This is expected to be especially true in the Danube countries where the quality is better and the good demand for wheat favors such substitution.

The first official estimate of total rye produced in Canada is 4,982,000 bushels compared with 9,606,000 in 1935.

Table 2.- Rye: Production in specified countries, 1933-36

Country	1933	1934	1935	1936
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	21,418	17,070	58,928	27,095
Canada	4,177	4,706	9,606	4,982
Total (2)	25,595	21,776	68,534	32,077
Austria 1/	26,314	21,853	22,302	18,058
Belgium	22,310	22,222	18,522	14,094
Bulgaria 1/	9,293	6,074	6,576	8,668
Czechoslovakia	82,103	55,970	64,501	54,918
Estonia	8,735	9,064	6,804	6,378
Finland	14,672	15,544	13,760	14,078
Germany	343,570	299,496	294,399	2/313,451
Greece	2,800	2,466	2,312	2,531
Hungary	37,654	24,380	28,650	28,817
Latvia	13,979	16,210	14,326	11,653
Luxemburg	575	548	452	456
Netherlands	15,601	19,788	18,434	19,464
Poland	278,460	254,472	260,498	251,561
Portugal	4,210	4,913	4,674	3,652
Rumania	17,555	8,308	12,724	15,747
Spain	20,702	21,567	19,206	18,053
Sweden	18,215	20,673	17,116	14,763
Switzerland	1,545	1,260	1,279	1,110
Turkey	13,430	9,590	8,508	7,544
Total (19)	931,723	814,398	815,043	804,996

1/ Winter only.
2/ Excludes the Saar, since production for this territory was not reported prior to 1936. The production reported for the Saar this year is 1,059,000 bushels.

Prospective Wheat Supply and Utilization by Classes for 1936-37

Total domestic supplies of all wheat for 1936-37 are indicated to be 780,000,000 bushels, consisting of 150,000,000 bushels of carry-over on July 1 and a prospective crop, based on September 1 indications, of 630,000,000 bushels. This quantity would ordinarily be sufficient for domestic requirements, if it contained sufficient amounts of hard red wheat and durum, which is not the case this year.

Total 1936-37 supplies (carry-over plus crop) of hard red spring wheat is estimated at 92,000,000 bushels, representing a reduction of 74,000,000 bushels in the supplies of a year earlier, which consisted of 31,000,000 bushels of full-duty wheat imports in addition to 135,000,000 bushels of domestic wheat. Total supplies of hard red winter wheat are estimated at 319,000,000 bushels, an increase of 44,000,000 bushels over 1935, while total supplies of white wheat are about 16,000,000 bushels greater than a year earlier. Total supplies of soft red winter wheat in prospect (235,000,000 bushels) are about the same as in 1935. Compared with last year, it appears that there will be an excess of hard red winter and white wheat available which could be substituted directly or indirectly for hard red spring wheat and which would offset much of the shortage. Assuming such substitution, and recognizing that red winter wheat is of high milling quality this year, it would appear that the actual deficit of hard red spring wheat may amount to only about 18,000,000 bushels. Total durum wheat supplies are tentatively placed at only 16,000,000 bushels. Based on past experience, a utilization of 19,000,000 bushels and a carry-over of 4,000,000 bushels seems to be about the minimum which might be expected. If utilization and carry-over during the current season approximate these figures, a deficit of about 7,000,000 bushels is indicated.

The Bureau estimates domestic utilization for the year at about 660,000,000 bushels, which includes 490,000,000 bushels for flour and commercial feed, 85,000,000 for seed, and 85,000,000 for farm feed. If carry-over stocks and crop prospects are borne out, and a domestic disappearance of 660,000,000 bushels is assumed, with exports and shipments no greater than last year 113,000,000 bushels, exclusive of imported wheat would be available for carry-over at the end of the year. If, however, the estimated prospective deficits of hard red spring and durum wheat are taken care of by imports, this carry-over would be increased to 138,000,000 bushels. Imports of wheat "unfit for human consumption" in 1936-37 have not been taken into consideration. Imports of such wheat would tend to reduce the amount of domestic wheat fed to livestock, but at the same time would probably increase the total utilization. From present information as to supplies available in Canada, which is our source for wheat of this type, it would appear that such imports would be materially less than in 1935-36 when they amounted to 9,000,000 bushels. Total imports of full-duty wheat in 1935-36 amounted to 26,000,000 bushels.

In 1935-36 exports and shipments amounted to 300,000 bushels of wheat and 6,800,000 bushels of flour in terms of wheat. With relatively high world prices making unsubsidized exports from the Pacific Northwest again possible, exports in 1936-37 may be expected to be larger than in 1935-36. Any such increase would tend to be offset by increased imports.

Preliminary estimates of the prospective supplies and utilization of wheat, by classes, for the coming year are shown in table 3, page 10.

Table 3.- Wheat: Supply and distribution by classes, 1936-37

Item	Hard red winter	Soft red winter	Hard red winter	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
Stocks, July 1, 1936.....	59	28	38	7	18	150
New crop 1/	260	207	54	9	100	630
Total supply (1936-37)..	319	235	92	16	118	780
Exports 2/	3	1	---	---	3	7
Disappearance.....	258	208	80	19	95	660
Stocks, July 1, 1937	58	26	30	4	20	138
Deficit 3/	---	---	---	7	---	25

1/ Includes wheat and flour in terms of wheat.
2/ September 1, 1936 indication.
3/ Estimates for full-duty wheat only.

Prices

The month of September witnessed a sharp rise in United States wheat prices, resulting from an even sharper rise in Winnipeg and Liverpool. The small Canadian crop, and the disappointing yields and unfavorable harvesting weather in European importing countries, in the face of export-supplies consisting largely of high quality Canadian wheat, were largely responsible for Liverpool futures advancing to the highest point since 1930. The average United States farm price of wheat for September 15, before prices advanced from mid-August levels, was 104.3 cents per bushel compared with 105.1 cents a month earlier and 85.2 cents, the revised figure for September 1935. The average price of all classes and grades at 6 markets for the week ended September 26 was 128 cents per bushel compared with 119.0 cents for the week ended September 5, 1936, and 106 cents a year earlier.

Table 4.- Wheat: Closing Saturday prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg a/		Liverpool a/		Buenos Aires b/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High c/...	101	117	104	116	120	131	95	110	95	123	d/81	d/117
Low c/...	82	98	78	94	83	108	82	84	70	89	d/56	d/ 92
Aug. 29...	90	109	92	109	108	122	82	95	80	105	e/64	e/100
Sept. 5...	94	110	97	110	114	123	89	97	85	111	e/66	e/100
12...	94	112	98	111	112	124	90	101	90	115	e/74	e/ 99
19...	99	113	103	113	119	126	93	105	94	118	81	e/ 98
26...	98	115	101	115	118	130	89	108	91	121	74	e/101

a/ Conversions at noon buying rate of exchange. b/ Prices are of day previous to other prices. c/ July 1 to date. d/ October, November and December futures, 1935; September, October and November futures, 1936. e/ November futures.

Table 5.- WHEAT: Weekly weighted average cash price at stated markets

Week ended	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No. 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St.Louis		Western White Seattle a/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High b/	106	128	118	126	136	150	120	166	105	121	82	100
Low b/	93	99	93	100	109	124	101	125	85	96	74	82
Aug. 29	100	121	107	120	129	143	113	143	91	117	74	96
Sept. 5	98	119	112	119	129	140	108	120	93	114	75	93
12	101	122	113	123	131	143	112	140	98	116	76	94
19	105	125	117	122	136	144	113	138	107	120	83	96
26	106	128	118	126	136	149	113	148	105	121	82	

a/ Weekly average of daily cash quotations, basis No. 1 sacked.
b/ July 1 to date.

Table 6.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, July-September 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/	Paris 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
July 4	100.3	124.5	77.2	92.2	90.1	90.8	233	177
11	111.4	139.3	85.3	95.7	98.7	91.9	233	179
18	111.3	134.6	87.9	97.2	100.2	94.3	233	182
25	111.4	133.8	89.2	99.8	102.7	96.4	232	187
Aug. 1	117.4	139.7	94.7	107.0	106.2	98.5	232	201
8	121.8	150.0	102.5	111.6	115.9	100.8	232	204
15	121.7	144.3	97.4	108.0	112.2	104.3	232	---
22	125.7	143.7	97.7	107.7	112.5	108.9	209	---
29	120.5	143.4	92.4	104.8	108.4	104.4	209	---
Sept. 5	118.6	139.6	92.4	100.2	109.3	97.8	210	---
12	122.5+	143.5-	96.2	100.1	113.9	97.1	210	---

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin and Paris prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, and Paris are converted to United States money at the current rates of exchange.

1/ No. 2 Hard Red Winter.
2/ No. 1 Dark Northern Spring.
3/ No. 3 Manitoba Northern.
4/ Near futures.
5/ Home-grown wheat in England and Wales.
6/ Central German wheat, wholesale trade price free Central German Station.
7/ Free market prices from January 1, 1935.

European Import Requirements 1/

Wheat import requirements for Europe during the 1936-37 season are expected to be definitely larger than in any recent year. On the basis of present crop and other information it would appear that the net import trade for Europe outside of the Danube Basin will amount to around 450,000,000 bushels or nearly 110,000,000 bushels more than during each of the past two seasons. Subsequent changes in crop estimates as well as any desire to accumulate reserve supplies because of the tense political situation, will tend to modify the present import estimate.

The import requirements of overseas wheat, however, are not as favorable as the above figures would indicate because of much larger export supplies this year in the Danube Basin, Czechoslovakia, and Poland. These countries may be able to furnish about 110,000,000 bushels or around one-fourth of the import requirements. This is approximately the same amount furnished last year if the Russian supplies are also included. This season Russia is expected to provide only a very limited quantity of wheat for Europe. Net exports from North Africa will also be very limited this year amounting to perhaps 5,000,000 bushels. Some small supplies are reported available in Turkey and may enter the European trade as they did 2 years ago (largely compensation trade with Germany).

The total quantity of wheat available for export from the Danube Basin during the entire 1936-37 season, based on a continuation of high prices abroad, is now placed at the post-war record figure of about 95,000,000 bushels, compared with exports of 23,000,000 bushels during 1935-36, the 5-year average 1930-31 to 1934-35, of 39,000,000 bushels, and 86,000,000 bushels in 1931-32, the previous record post-war year. The present estimated export surplus is larger than earlier estimates because of a more favorable outturn in the Yugoslavian crop than previously expected, along with rather definite assurances of record corn crops in Bulgaria, Hungary, and Yugoslavia, as well as a large barley and corn crop in Rumania. As the 1936 rye production has also been good in the Danube countries, there seems to be every possibility for a substitution of other grains for wheat on a larger scale than usual. Market and export prospects likewise appear more favorable than for many years, particularly as a result of the smaller European harvests and the indicated probable lack of serious Russian competition this season in European markets. Should the favorable foreign market situation continue during the entire marketing year, it is possible that exports will be even larger than the present record estimate, since farmers, in that case, will fall back upon inactive farm reserves.

Only limited wheat exports from Soviet Russia this season are expected because of the apparently reduced domestic crop of both bread and feed grains, coupled with somewhat higher domestic requirements. Moreover, the need for foreign exchange by the Government, which formerly tended to force exports, does not appear to be so urgent a factor in view of the present favorable foreign trade balance, increased gold production, reduction of the foreign debt, and the availability of foreign credit. The tense international political situation is also likely to work against exports and to favor the maintenance or increase of domestic stocks.

1/ Based on estimates from Foreign offices of the Foreign Agricultural Service.

Wheat Supplies in Exporting Countries

Total 1936-37 supplies of Canadian, Argentine, and Australian wheat available for export of carry-over on September 1 now appear to be only about 268,000,000 bushels (see table 7). Most of this amount is held by Canada. September 1 stocks plus amounts available for export out of the new crop in Canada indicate a surplus for export or carry-over of about 220,000,000 bushels, including 18,000,000 bushels of Canadian wheat in store in the United States. On September 1 Argentina and Australia together had a surplus of only about 48,000,000 bushels of old crop wheat and prospects are for approximately 190,000,000 bushels for export or carry-over out of their new crop which will be harvested in December and January. United Kingdom Port stocks and stocks afloat on September 1 were estimated at 32,000,000 bushels. Added to these figures, the Danubian countries on September 1 had a surplus of about 67,000,000 bushels available for export or carry-over. Based on trade estimates of prospective world imports, these surplus figures suggest that carry-over stocks at the end of the present season will be materially less than at the beginning of the year.

Table 7.- Surplus for export or carry-over in the three principal exporting countries, United Kingdom port stocks and stocks afloat, September 1, 1933-36 1/

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada				
In Canada	382	352	345	202
In United States	5	10	19	18
Argentina	30	71	46	24
Australia	37	66	39	24
Total	454	499	449	268
United Kingdom port stocks	10	13	7	8
Stocks afloat to				
United Kingdom	13	13	9	13
Continent	9	12	5	7
Orders	13	13	5	4
Total	45	51	26	32
Total above	499	550	475	300

1/ Represents approximately total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for September-June in the case of Canada, September-November in the case of Australia, and September-December in the case of Argentina.

Chinese Wheat and Flour Outlook 1/

On the basis of present prospects, it is estimated that between 2,000,000 and 3,000,000 bushels of wheat will be imported into China in 1936-37 probably late in the season. In 1935-36 imports amounted to about 6,900,000 bushels and in 1934-35 to 17,300,000 bushels. Imports are expected to come largely from Australia. Imports of flour are expected to show a further decrease in 1936-37 from the 449,000 barrels in 1935-36 and 746,000 barrels in 1934-35.

The 1936 wheat production in China is tentatively placed at 10 percent above that of 1935. Consumption is expected to exceed that of the preceding year as a result of greatly improved economic conditions, but with production of rice, millet, corn, and kaoliang, which are substituted for wheat, all larger than the preceding year and their prices low in relation to wheat, the increase will probably not be large.

Prices of Chinese wheat this season have been far below world prices as a result of abundance of good crops and also because wheat has been somewhat inferior in quality. The price spread at Shanghai between the best Chinese wheat and the cheapest foreign for the months July through September 1936 was approximately 37 cents per bushel, which is nearly double the spread for any consecutive three months for which prices are available. There is some possibility that the spread may be narrowed by higher prices for Chinese wheat when the supply is reduced by domestic consumption and export. However, if world prices remain at present levels and exchange rates remain steady any decrease in spread caused by higher Chinese wheat is not likely to be sufficient to result in significant wheat imports.

Wheat and flour exports in 1936-37 are expected to exceed those for any recent year. Wheat exports will probably be over 1,000,000 bushels. In 1935-36 they were 260,000 bushels and in 1934-35 were 504,000 bushels. Japan is importing Chinese wheat because it is cheap and because that country is attempting to boycott Australian goods. Flour exports in 1936-37 may exceed 135,000 barrels. In 1935-36 they were 11,000 barrels and a year earlier 39,000 barrels. Much of the Chinese flour is exported to Manchuria.

New Government Measures in Europe 2/

Government activity in Europe as regards the wheat trade was featured during August by the official establishment in France of a Government Wheat Office or Monopoly. Thus, one more country has placed wheat under virtual monopoly control and, though it appears that it will be much less rigid than the system adopted in Italy, it is characteristic of the evolution of government wheat activities in most European countries. The main outline of the law is that a central council or committee will fix the price of wheat, will establish the rate of sale for utilization of the crop under a system of orderly marketing, and will fix the quantities of wheat to be imported, exported, or stored.

1/ Reported by the Shanghai office of the Foreign Agricultural Service.
2/ From reports of foreign offices of the Foreign Agricultural Service, dated August 28, 1936.

In addition, it will fix the price that millers must pay for imported grain. From the standpoint of the market and of the import and export trade, the situation will not be greatly different from that established by the other recent wheat laws, in that the Government can fix the price of grain and control imports and exports. As a result of its establishment so late in the season, the lack of physical and administrative organization for its functioning, and the difficulty of making any large and partly cooperative enterprise work in France, it would appear that the plan may be no more than partially effected.

Recent announcements of the Polish Ministry of Agriculture indicate a general continuation of the grain policy followed during the past season. Effective July 1, 1936, the tariff reimbursement on wheat is changed from 6 to 5 Zloty per 100 kilograms. These tariff refunds are granted for such import items as fertilizers, auxiliary products, tools, machinery, etc.

It is expected that the general reduction in the export premium on grain and legumes will enable the Government to extend the subsidy to other agricultural products. The future of the State Grain Company, which has made intervention purchases to support prices on many occasions, especially in 1933 and 1934, has been under discussion for some time. Agricultural organizations have recommended that the future activities of the company be put on an ordinary business basis and that the capital required for this purpose be placed at its disposal. The rise in world grain prices appears to be very helpful to the Polish government in shifting some of its emphasis from grain to other farm product benefits. This is part of the present government policy evident for some time and recently reiterated by the Minister of Agriculture. The present favorable world market situation also has recently made for some administrative changes in the Danube Basin countries. In contrast to most changes in Government control or aid, however, they indicate a certain relaxation. The export premium for wheat has been reduced in Rumania for September, and in Yugoslavia the government has granted freedom of exports for the grain trade to countries with which Yugoslavia has no special trade agreements calling for preferential customs duty treatment. The latter include primarily Germany, Austria, and Czechoslovakia. Exports in these cases will continue to be handled by the Privileged Export Company.

There have been many barter or compensation trade negotiations this summer, especially in Danube countries, particularly Rumania. Belgium and Rumania concluded an agreement during August by which 845,000 bushels of wheat were to be delivered immediately and 4,400,000 bushels to be taken during the season, the proceeds of which would, to a considerable extent, liquidate frozen credits. Belgium in the past has imported mostly overseas wheat. Negotiations are also reported for a wheat trade deal between Holland and Rumania involving around 1,837,000 bushels. The Rome agreement by Hungary, Italy, and Austria provides for compensation trade between these countries for a fair portion of the Hungarian surplus. Switzerland is also making special deals for some additional quantities. It seems not unlikely that France may also enter the picture of trade with the Danube countries for part of such import needs as she may have. The Austrian government has also recently approved a compensation trade deal for 920,000 bushels of rye from Hungary, Poland, and Rumania in exchange for industrial goods.

The European Wheat Market Situation

European import buying was fairly active during August and September, especially on the part of British flour millers who made purchases not only of Canadian and Australian, but also Danubian wheat.

Exports have been particularly large, being estimated at about 17,000,000 bushels for August. Still larger exports are expected for September, as a result of important commitments scheduled for that month. Rumania was the most important exporter during August, accounting for a little over 40 percent of the total, with Hungary and Yugoslavia each shipping about half as much, and Bulgaria the small remainder. Generally speaking, Great Britain was the most important buyer of Danubian wheat during August, being followed by Belgium, Switzerland, and Italy. The bulk of the Hungarian wheat in particular went to Switzerland with important quantities to Austria and Italy, the latter two countries having made special commitments in accord with the Rome Agreement. Important sales of Danubian wheat in September were made to Italy, Germany, and Greece. Italy also bought important quantities of Manitobas. Unlike former years, that country was in the market early this season. Recently Liverpool bought some Polish wheat, and Ireland some United States Pacific Northwest wheat.

Prices have been generally strong in all countries where they are not fixed or under government control. Australian, Canadian and other wheat offered in the United Kingdom reached new high levels. While prospects of a reduced crop in North America have played the dominant role in the world wheat market during the summer period, the greatly improved statistical situation in European countries may also be considered an important strengthening factor.

Table 8.- United States: Exports of wheat and wheat flour, 1935-36 and 1936-37 1/

Week ended	Wheat		Wheat flour		Wheat including flour	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July (total)	66	26	248	290	1,231	1,389
Week ended						
Aug. 8...	1	0	25	42	119	197
15...	0	5	23	7	108	38
22...	0	23	14	28	66	155
29...	0	154	23	26	108	276
Sept. 5...	0	111	14	35	66	275
12...	10	0	34	40	170	188
19...	2	261	26	37	124	435
26...	2	51	30	29	143	187

Compiled from reports of the Department of Commerce.
1/ Includes flour milled in bond from foreign wheat.

Table 9.- Quality of the 1936 wheat crop
(Based on inspected receipts at representative markets, July 1 to September 15)

Grade	Hard red winter wheat		Soft red winter wheat		White wheat		Hard red spring wheat		Durum wheat	
	Sub-class	Per-cent	Sub-class	Per-cent	Sub-class	Per-cent	Sub-class	Per-cent	Sub-class	Per-cent
	Dark hard winter	71	Red winter		Hard white	44	Dk. No. spring	92	Hd. amber durum	93
	Hard winter	29			Soft white	32	Northern spring	8	Amber durum	1
	Yellow hard winter	0			White club	22	Red spring	0	Durum	6
					Western white	2				
1		38		52		39	No.1 Heavy	6		11
							No.1	9		
2		24		35		51		10		26
3		17		7		9		31		29
4		11		2		1		24		21
5		7		1		0		12		11
Sample		3		3		0		8		2
Special grades:										
Tough		0		5		0		0		1
Smutty		2		5				4		1
Smut dockage						16				
Garlicky				25						

Table 10.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1935-36 and 1936-37

Week ended	Argentina		Australia		Danube		North America	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July 1-Aug.1	11,440	5,416	7,964	4,164	608	2,008	11,408	26,376
Week ended								
Aug. 8	2,948	588	1,008	960	0	640	1,560	6,848
15	1,312	1,060	1,188	1,838	0	712	2,880	5,616
22	4,016	892	1,704	1,292	304	1,080	2,640	5,976
29	1,892	620	1,080	1,192	184	1,808	2,584	5,288
Sept.5	2,432	808	1,388	1,356	88	1,336	2,256	5,072
12	3,440	1,336	1,550	960	456	3,552	2,784	5,624
Total	27,480	10,720	15,892	11,812	1,640	11,136	26,112	60,800

Compiled from Broomhall's Corn Trade News.

Table 11.- Wheat, including flour: Movement from principal exporting countries, 1933-34 to 1936-37

Country	Exports as given by official sources						
	Total			July 1 to date shown			
	1933-34	1934-35	1935-36	1934-35	1935-36	1936-37	Date
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	37,002	21,532	15,930	2,168	1,231	1,389	July 31
Canada	198,555	169,630	237,447	31,379	34,329	50,817	Aug. 31
Argentina	144,854	187,000	76,577	35,948	22,274	8,266	Aug. 31
Australia	86,509	108,010	102,258				
Russia	33,787	4,286	29,704				
Hungary	29,615	12,499	14,644				
Yugoslavia	839	4,401	728				
Rumania	248	3,432	9,996				
Bulgaria	4,236	375	987				
British India	2,084	2,318	1/2,164				
Total	537,729	513,483	490,435				

Country	Shipments as given by trade sources						
	Total		Week ended			July 1 - Sept.26	
	1934-35	1935-36	Sept.12	Sept.19	Sept.26	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 2/	162,832	219,688	5,624	4,701	3,420	33,464	68,921
Canada, 4 markets 3/	176,059	246,199	7,567	8,107	7,851	86,086	70,668
United States	20,997	14,207	188	437	187	3,834	3,137
Argentina	186,228	77,384	1,336	1,034	794	31,100	12,548
Australia	111,628	110,060	960	1,842	2,178	20,100	15,832
Russia	1,672	30,224	0	0	0	6,552	0
Danube & Bulgaria 4/	4,104	8,216	3,552	2,872	1,800	1,992	15,808
British India	5/2,318	5/2,164	40	216	752	24	1,504
Total 6/	468,782	447,736				93,232	114,615
Total European shipments 2/	387,752	355,032	9,368			7/ 59,624	7/ 71,080
Total ex-European shipments 2/	147,938	133,528	2,632			7/ 23,688	7/ 31,544

1/ Total of 11 months.
2/ Broomhall's Corn Trade News.
3/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
4/ Black Sea shipments only.
5/ Official.
6/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
7/ To September 12.

Table 12.- Wheat, including flour: Net imports into European countries, year beginning July 1, 1934-35 to 1936-37

Country	1934-35	1935-36	Net imports reported: July 1 to	1935-36	1936-37
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	10	7	July 31	1	1
Belgium	40	39	- - -	- - -	- - -
Czechoslovakia	1/	1	July 31	1/	1/
Denmark	19	9	July 31	1	1
Finland	4	4	July 31	1/	1/
France	2/- 16	3/ 6	July 31	1/	1/
Germany	11	1/	July 31	1/	4/
Greece	13	3/11	- - -	- - -	- - -
Irish Free State	18	15	July 31	1	2
Latvia	4/	2/-2	- - -	- - -	- - -
Netherlands	19	21	Aug. 31	4	3
Norway	9	8	July 31	1	1/
Poland	2/- 4	2/-8	- - -	- - -	- - -
Portugal	1	2/-3	- - -	- - -	- - -
Spain	4/	4/	- - -	- - -	- - -
Sweden	2/- 2	2/-2	July 31	2/-1	4/
Switzerland	18	15	- - -	- - -	- - -
United Kingdom	202	205	July 31	17	17
Total imports	364	341			
Total exports	22	15			
Total, net imports	342	326			

Compiled from official sources.

1/ Less than 500,000 bushels.
2/ Net exports.
3/ Total of first 10 months.
4/ Net exports of less than 500,000 bushels.

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October 1936

WORLD WHEAT PROSPECTS

Summary

Smaller world supplies this year are reflected in a world level of wheat prices materially higher than in 1935-36, and the absence of large carry-over stocks points to the probability that wheat prices during the remainder of the season will be much more sensitive to new crop developments than has been the case in recent years. Wheat prices in the United States, except for white wheat in the Pacific Northwest, continue considerably above an export basis. This is to be expected during most of the 1936-37 season because supplies of hard red and durum wheats are below domestic requirements. White wheat from the Pacific Northwest is again moving into export channels and at the highest prices since 1930.

With higher prices than at seeding time last fall and sufficient moisture for seeding and germination over practically all of the winter wheat area, it seems probable that the 1937 wheat acreage to be harvested for grain will be at least as large as that of 1936. Based on present moisture conditions and normal weather during the remainder of the crop year, the yield per acre in 1937 may be expected to be somewhat below average but above the yields of recent years. The present moisture situation suggests that yields of winter wheat in the Southern Great Plains or hard red winter area in 1937 may average higher than in 1936 but will probably be below the 10-year average. In the hard red spring wheat area, there is a serious moisture shortage at present, but spring precipitation in this area is of relatively greater importance and yields are not limited by the amount of fall moisture to the same extent that they are in the hard red winter wheat area. In other sections of the country, fall moisture supplies considered

alone have little significance in relation to crop outturn.

Total world supplies of wheat in 1936-37, excluding Russia and China, show a decline of approximately 265,000,000 bushels compared with 1935-36. Crop conditions now indicate that world producton, excluding Russia and China will probably be about 3,462,000,000 bushels, or a decrease of about 90,000,000 bushels compared with last year. The world carry-over, excluding Russia, at the beginning of the current crop year was apparently about 750,000,000 bushels, or a decrease of about 175,000,000 bushels compared with a year ago. The reduced supplies are a result of a very short crop in North America and North Africa and a general reduction in stocks in nearly all countries. Exports from Soviet Russia appear unlikely but imports into China will be smaller than last year. Production in 1936-37 is the smallest since 1925 and stocks on July 1, 1937 are expected to be the smallest since about 1927.

World shipments of wheat during 1936-37 are estimated between 550,000,000 and 560,000,000 bushels compared with actual shipments of 489,000,000 bushels from July through June in 1935-36. An increase in imports is expected as a result of smaller crops and lower stocks in the importing countries and the improved business outlook in Europe, which has been due particularly to the recent devaluation of currencies and the reduction in import duties on the part of Gold Bloc countries. It is expected that most of the increase in European takings will be supplied by Danubian countries, which produced a very large surplus. Import requirements in the three oriental countries, China, Japan, and Manchuria, are expected to be substantially smaller than in 1935-36.

Wheat Production

The 1936-37 world wheat crop, exclusive of Russia and China, is now estimated at 3,462,000,000 bushels compared with 3,554,000,000 bushels in 1935-36 and 3,513,000,000 bushels in 1934-35. The total for the current season has been revised upward about 30,000,000 bushels during the past month, due largely to upward revisions in crop estimates for the Southern Hemisphere countries. The estimate of the United States has been lowered 3,000,000 bushels and that of North Africa, 2,000,000 bushels. The totals for Europe and for Asia have remained virtually unchanged.

Present estimates of production in 30 European countries total 1,494,189,000 bushels compared with 1,576,758,000 bushels in 1935 and 1,547,876,000 bushels in 1934. In European countries other than the Danube Basin, low yields rather than curtailed acreages, with few exceptions, account for the reduced crop. Germany and Poland are the only important countries showing increases in yield. Record yields are reported for the Danubian countries.

The first official estimate of the Australian crop is 129,484,000 bushels produced on 12,640,000 acres compared with the 1935 production of 142,308,000 bushels on 11,809,000 acres. The Bureau estimated the Australian crop in August at 125,000,000 bushels and made no revision in September.

Recent weather conditions in Argentina have been more favorable for the growth of the wheat crop. Good rains have been received over a wide area. The Agricultural Attache' at Buenos Aires, on the basis of the Government acreage estimate and present condition of the crop, estimates a crop of 239,000,000 to 246,000,000 bushels. The Bureau estimated the Argentine crop in August at 215,000,000 bushels and made no revision in September.

Table 1.- Wheat: Production, 1933-34 to 1936-37

Country	1933-34	1934-35	1935-36	1936-37
Northern Hemisphere	1,000 bush.	1,000 bush.	1,000 bush.	1,000 bush.
North America:				
United States	551,683	526,393	623,444	627,233
Canada	281,892	275,849	277,339	232,973
Mexico	12,122	10,950	10,279	12,993
Total (3)	845,697	813,192	911,062	873,199
Europe:				
Danube Basin (4)	367,464	249,300	301,690	375,286
Other Europe (26)	1,377,784	1,298,576	1,275,068	1,118,903
Total (30)	1,745,248	1,547,876	1,576,758	1,494,189
North Africa (4)	110,037	134,170	113,324	95,135
Asia (6)	517,030	524,956	538,894	508,559
Total, 43 countries	3,218,012	3,020,194	3,140,038	2,971,082
Southern Hemisphere				
Argentina	286,120	240,669	141,021	1/240,000
Australia	177,338	133,394	142,308	129,484
Estimated world total, excluding Russia and China	3,809,000	3,513,000	3,554,000	3,462,000

Compiled from official sources and the International Institute of Agriculture.

1/Based on a report from the Buenos Aires Office of the Foreign Agricultural Service, which estimates a production of 239,000,000 to 246,000,000 bushels.

Rye Production

In North America rye production is greatly decreased from last year. In the United States, the indicated production of 27,095,000 bushels, is only 46 percent of the 1935 crop.

The rye production in 26 European countries, excluding Russia, is estimated at 871,277,000 bushels, compared with 893,006,000 bushels in 1935 and 894,185,000 bushels in 1934. Germany, Netherlands, and Rumania are the only countries reporting significant increases in production.

Table 2.- Rye: Production in specified countries, 1933-36

Country	1933	1934	1935	1936
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
United States	21,418	17,070	58,928	27,095
Canada	4,177	4,706	9,606	4,982
Total (2)	25,595	21,776	68,534	32,077
Austria	27,044	22,617	24,416	18,113
Belgium	22,310	22,222	18,522	14,094
Bulgaria	9,683	6,438	7,767	7,992
Czechoslovakia	82,103	55,970	64,501	54,933
Denmark	9,899	10,801	11,177	1/ 9,842
Estonia	8,735	9,064	6,804	5,905
Finland	14,672	15,544	14,023	14,023
France	35,337	32,983	29,371	27,987
Germany	343,570	299,496	294,399	2/313,451
Greece	2,800	2,466	2,183	2,531
Hungary	37,654	24,380	28,650	28,822
Irish Free State	86	66	69	1/ 79
Italy	6,739	5,607	6,267	1/ 5,905
Latvia	13,979	16,210	14,326	11,653
Lithuania	23,042	26,331	25,221	20,235
Luxemburg	575	548	452	487
Netherlands	15,601	19,788	18,434	20,078
Norway	438	395	483	433
Poland	278,460	254,472	260,498	251,561
Portugal	4,210	4,913	4,674	3,652
Rumania	17,555	8,308	12,724	15,747
Spain	20,702	21,567	19,206	18,053
Sweden	18,215	20,673	17,116	14,763
Switzerland	1,545	1,260	1,279	874
Turkey	13,430	9,590	8,508	7,544
Yugoslavia	9,659	7,688	7,720	7,992
Total (26)	1,018,043	894,185	893,006	871,277

1/ Estimated in the Berlin Office of the Foreign Agricultural Service.
2/ Excludes the Saar, since production for this territory was not reported prior to 1936. The production reported for the Saar this year is 1,059,000 bushels.

Prices

Domestic wheat prices remained firm to slightly higher during the 2 weeks ended October 10, advanced sharply in the next week, and then lost most of this gain in the last part of the month. The advance reflected more active demand in Winnipeg and Liverpool, and the subsequent decline followed improvement in prospects for production in the Southern Hemisphere and increased offerings of new Argentine wheat.

The average price of all classes and grades at six markets for the week ended October 24 was 128 cents compared with 132 cents one week earlier and 128 cents, 2 weeks earlier. The average United States farm price of wheat on October 15 was 106.8 cents compared with 104.3 cents in September and 95.1 cents in October 1935.

The spread between United States markets and Liverpool has been narrower this year than during the past 3 years when crops were also below domestic utilization. The fact that Liverpool prices, both of parcels and futures, have reflected the larger proportion of high priced Manitobas than is usually the case accounts for part of this difference. However, during the last 2 months United States prices have increased relatively less than foreign prices. Chicago December futures are currently about 6 cents above Winnipeg December futures, whereas a year ago they were about 13 cents, and 2 to 3 years ago 18 to 25 cents above. No. 2 Hard Winter at Kansas City is about 16 cents above No. 3 Manitoba Northern at Winnipeg compared with about 35 cents a year ago, and about 25 to 30 cents, 2 and 3 years ago.

Table 3.- Wheat: Saturday closing prices of December futures

Date	Chicago		Kansas City		Minneapolis		Winnipeg 1/		Liverpool 1/		Buenos Aires 2/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 3/	108	117	111	116	127	131	95	113	97	125	4/82	4/117
Low 3/	82	98	78	94	83	108	82	84	70	89	4/56	4/ 92
Oct. 3	108	115	111	113	126	128	95	109	97	120	81	96
10	104	116	108	114	121	130	91	111	95	123	78	101
17	101	116	103	114	118	129	89	112	95	124	76	99
24	99	115	101	113	114	129	86	108	94	119	76	94

1/Conversions at noon buying rate of exchange.
2/Prices are of day previous to other prices.
3/July 1 to date.
4/October, November, and December futures 1935; September, October, and November futures 1936.

Table 4.- Wheat: Weekly weighted average cash price at stated markets

Date	All classes and grades six markets		No. 2 Hard Winter Kansas City		No. 1 Dk.N.Spring Minneapolis		No 2 Hard Amber Durum Minneapolis		No. 2 Red Winter St. Louis		Western White Seattle 1/	
	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936	1935	1936
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
High 2/	112	132	123	126	139	150	121	166	113	122	90	100
Low 2/	93	99	93	100	109	124	101	125	85	96	74	82
Oct. 3	111	127	122	122	137	147	116	151	110	119	88	96
10	112	128	123	122	139	148	121	157	113	121	90	97
17	105	132	116	125	133	150	118	157	109	122	88	99
24	104	128	114	122	132	148	118	147	105	121	86	98

1/ Weekly average of daily cash quotations, basis No. 1 sacked 30 days delivery.
2/ July 1 to date.

Table 5.- Wheat: Average price per bushel at specified markets in terms of United States currency, by weeks, August - October 1936

Week ended	Kansas City 1/	Minneapolis 2/	Winnipeg 3/	Buenos Aires 4/	Liverpool 4/	Great Britain 5/	Berlin 6/	Paris 7/
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Aug. 1	117.4	139.7	94.7	107.0	106.2	98.5	232	201
8	121.8	150.0	102.5	111.6	115.9	100.8	232	204
15	121.7	144.3	97.4	108.0	112.2	104.3	232	---
22	125.7	143.7	97.7	107.7	112.5	108.9	209	---
29	120.5	143.4	92.4	104.8	108.4	104.4	209	---
Sept. 5	118.6	139.6	92.4	100.2	109.3	97.8	210	---
12	122.5+	143.5-	96.2	100.1	113.9	97.1	210	---
19	122.0	144.1	101.1	99.7	117.6	99.5	210	---
26	125.9	149.5-	105.7	100.0	121.7	102.4	210	---
Oct. 3	122.0	146.9	103.8	97.2	118.9	104.7	213	---
10	121.8	148.2	105.8	100.9	121.4	108.3	212	---
17	124.9	150.2	109.8	103.0	126.5+	112.4	212	---
24	122.2	147.8	106.5+	99.3	124.8			

Prices are averages of daily prices for the week ending Saturday except as follows: Great Britain prices of home-grown wheat are averages for the week ending Saturday; Berlin and Paris prices are Wednesday quotations. Prices at Winnipeg, Buenos Aires, Liverpool, Great Britain, Berlin, and Paris are converted to United States money at the current rates of exchange.

1/No. 2 Hard Red Winter. 2/ No. 1 Dark Northern Spring.
3/No. 3 Manitoba Northern. 4/ Near futures.
5/Home-grown wheat in England and Wales.
6/Central German wheat, wholesale trade price free Central German Station.
7/Free market prices from January 1, 1935.

Prospective Wheat Supply and Utilization by Classes for 1936-37

Total domestic supplies of all wheat for 1936-37 are indicated to be 764,000,000 bushels, consisting of 137,000,000 1/, bushels of carry-over on July 1 and a prospective crop, based on October 1 indications, of 627,000,000 bushels. These supplies will more than take care of the usual domestic utilization of soft red, white and hard red winter wheat, but supplies of hard red spring and durum will again be below normal minimum needs.

Total 1936-37 supplies (carry-over plus crop) of hard red spring wheat are estimated at 87,000,000 bushels. These supplies represent a reduction of 77,000,000 bushels in the supplies of a year earlier, which consisted of 31,000,000 bushels of imports in addition to 133,000,000 bushels of domestic wheat.

The shortage of hard red spring wheat will partially be taken care of by the excess of hard red winter wheat over average requirements and by the greater use of soft red and white wheats in bread flour. This year's crop of hard red spring wheat is of better quality than last year's crop but, because of shrivelled condition, is still below normal in milling yields. Based on substitution of other wheats, directly and indirectly, it would appear that the net deficit of hard red spring wheat this year, including an allowance for wheat "unfit for human consumption", may amount to about 30,000,000 bushels. Total supplies of hard red winter wheat are estimated at 310,000,000 bushels, an increase of 40,000,000 bushels over those of 1935, while total supplies of white wheat are about 15,000,000 bushels greater than a year earlier. Total supplies of soft red winter wheat in prospect, 234,000,000 bushels, are about the same as in 1935-36.

Total durum wheat supplies are tentatively placed at only 17,000,000 bushels. Based on past experience, a utilization of 20,000,000 bushels and a carry-over of 5,000,000 bushels seem to be about the minima which might be expected. If utilization and carry-over during the current season approximate these figures, a deficit of about 8,000,000 bushels is indicated. Substitution of other kinds of wheat for durum is unsatisfactory.

Total domestic utilization for 1936-37 is estimated at about 660,000,000 bushels. Exports are expected to be between 10,000,000 and 15,000,000 bushels, mostly from the Pacific Northwest, compared with 7,000,000 bushels in the 1935-36 season. If the estimated prospective deficits of hard red spring and durum wheat for milling and seed are taken care of by imports, total net imports would, accordingly, be indicated at about 25,000,000 bushels compared with 28,000,000 bushels last year. This would leave a carry-over on July 1, 1937 of about 130,000,000 bushels.

Preliminary estimates of the prospective supplies of wheat by classes for 1936-37, together with the supply and distribution for 1935-36 are shown in table 6, page 8.

1/ Revised carry-over figure, see table 7.

Table 6.- Wheat: Supply and distribution, 1935-36 and prospects for 1936-37, by classes

Item	Hard red winter	Soft red winter	Hard red spring	Durum	White	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1935-36 -						
Stocks, July 1.....	67	32	26	5	16	146
Production	203	204	107	24	85	623
Imports	---	---	1/ 31	4	---	35
Total supply..	270	236	164	33	101	804
Exports 2/.....	3		---	---	4	7
Disappearance.....	217	209	1/129	25	80	660
1936-37 (Prospects)						
Stocks, July 1	50	27	35	8	17	137
Production 3/.....	260	207	52	9	99	627
Total supply 4/	310	234	87	17	116	764
Exports 2/.....	3	---	---	---	10	13
Disappearance.....	257	210	85	20	88	660
Stocks, July 1,1937	50	24	1/33	5	18	130
Deficit	---	---	31	8	---	39

1/ Includes imports of wheat "unfit for human consumption".
2/ Include shipments to possessions, also flour in terms of wheat.
3/ October estimate.
4/ Without imports.

Wheat Supply and Distribution Table Revised

Table 7 (following page) shows the wheat supply and distribution table as now changed. Most of the revisions were published in the July issue of World Wheat Prospects. At that time the import figures were changed so as to eliminate wheat imported for milling in bond and export as flour, and also wheat and flour imported and reexported. Previously, these two items had been included both on the supply side and on the distribution side, thereby complicating interpretation. The table published in July included unrevised figures of stocks in merchant mills and elevators and stored for others, and also unrevised figures on wheat used for seed. These have now been revised. The item "in transit to merchant mills" has been dropped because it has been found that it included mostly "to arrive" wheat, which implies a duplication of stocks already accounted for. If satisfactory figures can be determined for this item, they will be added later.

Figures for wheat fed on farms of wheat growers have been incorporated in the table for the first time. The item "foods and commercial feeds", also a new designation, constitutes the balancing item, which is the difference between total supplies and the items accounted for.

Table 7.- Wheat: Supply, distribution, and disappearance in continental United States, 1923-24 to 1936-37

Crop year beginning July	Supply							
	Stocks July 1							
	On farms	In country elevators and mills	Commercial stocks 1/	In merchant mills and elevators and stored for others 2/	Total	New crop	Imports (flour included) 3/	Total supply
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1923-24	35,239	37,117	28,956	31,000	132,312	759,482	14,578	906,372
1924-25	29,349	36,626	38,112	33,000	137,087	840,391	304	977,482
1925-26	28,638	25,287	28,900	25,576	108,401	668,700	1,747	778,848
1926-27	27,071	29,501	16,148	27,505	100,225	832,213	77	932,515
1927-28	26,640	21,776	21,052	40,038	109,506	875,059	188	984,753
1928-29	19,588	19,277	38,587	34,920	112,372	914,373	91	1,026,836
1929-30	45,106	41,546	90,442	51,279	228,373	823,217	53	1,051,643
1930-31	60,216	60,166	109,327	59,170	288,879	886,470	354	1,175,703
1931-32	37,867	30,252	203,967	41,206	313,292	936,831	7	1,250,130
1932-33	93,448	41,585	168,405	71,714	375,152	756,927	10	1,132,089
1933-34	82,882	64,296	123,712	107,052	377,942	551,683	153	929,778
1934-35	62,516	48,150	80,548	83,114	274,328	526,393	14,069	814,790
1935-36	44,339	31,799	21,951	47,529	145,618	623,444	34,685	803,747
1936-37	43,760	23,776	20,647	48,556	136,739	4/ 627,233		

1/ 1923 to 1926 Bradstreets, excluding country elevator stocks.
2/ Stocks in merchant mills and elevators: 1923 and 1924 estimated in absence of actual figures, 1925 to date, Bureau of Census raised to represent all merchant mills. Stored for others: 1923 to 1929 estimated in absence of actual figures: 1930 to date. Bureau of Census raised to represent all merchant mills.
3/ From reports of Foreign and Domestic Commerce of the United States: imports include full-duty wheat, wheat paying a duty of 10 percent ad valorem, and flour in terms of wheat.
4/ Preliminary.

Table 7.- Wheat: Supply, distribution, and disappearance in continental United States, 1923-24 to 1936-37 - cont'd

Crop year beginning July	Distribution								Carry-over 4/
	Exports and shipments 1/				Disappearance				
	Exports (wheat only)	Exports flour as wheat	Shipments (flour included) 2/	Total	Seed	Feed (fed on farms of wheat growers)	Foods and commercial feeds 3/	Total	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
1923-24	78,793	67,213	2,973	148,979	74,103	66,857	479,346	620,306	137,087
1924-25	195,499	59,478	2,871	257,839	79,903	55,956	475,383	611,242	108,401
1925-26	63,189	31,428	2,741	97,358	78,843	28,214	474,208	581,265	100,225
1926-27	156,250	49,761	3,082	209,093	83,279	34,262	496,375	613,916	109,506
1927-28	145,999	45,228	2,692	193,919	89,879	44,500	544,083	678,462	112,372
1928-29	103,114	38,106	3,172	144,392	83,677	55,315	515,079	654,071	228,373
1929-30	92,175	48,179	2,983	143,337	83,353	59,323	476,751	619,427	288,879
1930-31	76,365	36,063	2,850	115,278	80,886	157,188	509,059	747,133	313,292
1931-32	96,521	26,376	2,757	125,654	80,049	173,727	495,548	749,324	375,152
1932-33	20,887	10,979	3,023	34,889	81,161	124,912	513,185	719,258	377,942
1933-34	18,800	6,798	2,779	28,377	75,511	72,261	479,301	627,073	274,328
1934-35	3,019	7,512	2,783	13,314	82,467	83,593	489,798	655,858	145,618
1935-36	311	3,896	2,908	7,115	88,373	97,533	473,987	659,893	136,739
1936-37									

1/ From reports of Foreign and Domestic Commerce of the United States. Exports include only flour made from domestic wheat; 1923-35 estimated on basis of total exports less wheat imported for milling in bond and export adjusted for changes in carry-over; 1935-36 figure for exports of flour wholly from United States wheat.
2/ Shipments are to Alaska, Hawaii, Puerto Rico, and Virgin Islands (Virgin Islands prior to December 31, 1934, included with domestic exports).
3/ Balancing item.
4/ For individual items see supply section.

The Wheat Outlook for 1937-38

Domestic Prospects

A wheat crop considerably in excess of domestic needs will be produced in the United States in 1937, and prices will decline toward an export basis, if near-average yields are obtained on prospective acreage.

The acreage seeded to wheat for the 1936 crop was the second largest acreage on record. With higher prices than at seeding time last fall and sufficient moisture for seeding and germination over practically all of the winter wheat area, it seems likely that the 1937 wheat acreage will be at least as large as that of 1936. If this proves to be the case, production will exceed average domestic utilization unless growing conditions are so unfavorable as to reduce yields 25 percent or more below average. Nothing in the present situation indicates so great a reduction in yields, although fall moisture supplies do suggest that yields may be slightly below average if normal weather conditions prevail during the remainder of the 1937 crop season.

Spring wheat producers will want to consider the development of the winter wheat crop in formulating their acreage plans for 1937. If, at spring wheat seeding time, the winter wheat crop still gives promise of average or near-average yields, prices for the 1937 crop may be expected to be materially lower than during the past 3 years, when production was below domestic utilization. Under such conditions, many spring wheat farmers who are in a position to plant flax may find that crop an attractive alternative. If, on the other hand, the winter wheat crop appears to be headed for a fifth year of low yields, prices may be expected to be somewhat comparable to those of the current season.

For the long-time outlook, however, there can be little question but that yields will approximate the average of past years and that the present acreage will produce, on the average, quantities considerably in excess of the usual domestic utilization. If the 1936 total acreage of 74,500,000 acres is maintained, average yields (11.8 bushels per seeded acre, 1925-34) would result in a production of 880,000,000 bushels, which is about 225,000,000 bushels greater than our annual domestic disappearance. The average acreage in the 1929-33 period was 66,850,000 acres.

World prospects

The closer adjustment of world supplies to prospective requirements, which has taken place in the last few years, has resulted from a series of unfavorable crops in important surplus producing countries, largely as a result of drought, rather than from a curtailment of acreage. In Canada, where the effect of the drought has been about as great as in the United States during the 3-year (1933-35) period, average production declined about 35 percent compared with the 5-year (1927-31) period. At the same time, planted acreage declined only about 1 percent. If another small production in 1937-38 only about offsets the prospective decline in carry-over stocks during the current season, world prices would be expected to remain at high levels. If on the other hand, near-average acreage yields should be obtained, production would be in excess of the prospective world requirements and would result in lower world prices. The present world acreage is so large that average acre-yields over a period of years would again result in large world surpluses.

If weather conditions are more nearly normal in the important wheat exporting countries in 1937-38, the export market is not likely to be dominated by supplies in any one country. This should tend to remove some of the uncertainty that prevailed during the last marketing year, when Canada held most of the world's export surplus.

World prices are a factor in determining the level of American prices so that in the long-range outlook, the export market is of concern to all American wheat growers. Increased production of wheat in the Orient and competition from Australia definitely limit the market for American wheat in the Far East. Production of wheat in Europe will probably be maintained near present levels with a tendency for the importing countries to depend upon neighboring sources of supplies insofar as possible. A return to pre-depression (1925-29) exports of wheat from the United States, therefore, appears highly improbable even over a period of some years.

European Wheat Acreage and Yield in 1936 and Prospects for 1937 2/

The 1936 wheat area for harvest in Europe, excluding Russia, is estimated at 76,455,000 acres compared with 78,916,000 acres a year ago and the 5-year (1930-34) average of 76,043,000 acres. The decline of about 2,470,000 acres from last year's wheat area is the first important change in the European acreage in several seasons. The net acreage changes for the preceding 3 years were less than 494,000 acres or around one-half of 1 percent of the total area. While it is believed that the peak of wheat acreage has been about reached in Europe, the reduction in the 1936 acreage from last year and other recent years should not be regarded as definite evidence of a downward trend in acreage. The 1936 decline is largely the result of very unfavorable fall seeding conditions, particularly in Rumania, Spain, France, Portugal, and the Baltic States and to considerable abandonment in part of the Mediterranean area on account of continued heavy rains during much of the season.

Table 8.-Wheat: European acreage in 1936 with comparisons

Region	Average 1924-28	Average 1929-33	1933	1934	1935	1936
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres	1,000 acres
21 countries	51,219	54,952	57,955	58,039	58,246	55,998
Danube Basin	18,755	19,588	19,857	19,644	20,670	20,457
Total Europe	69,974	74,540	78,059	77,683	78,916	76,455

The 1937 wheat area, barring another unfavorable season for planting, or high abandonment, is expected to exceed the 1936 acreage and may approach that of 1935. The countries showing important declines this season, except possibly Spain, are expected to record some increase next year, and some further increase seems likely for the Danube Basin. Of importance, however, will be the developments in Spain during the fall seeding period. Spain, normally, has one of the largest wheat areas of Europe, and to the extent that

2/ From reports of foreign offices of Foreign Agricultural Service.

the unsettled political situation may disturb agricultural activities the acreage may be reduced and thus lower the European total. The Czechoslovakian grain monopoly's announced plan for 1936-37 calls for a 20-25 percent reduction of the wheat area on account of the present burdensome carry-over supplies. While it seems doubtful that the full reduction can be achieved some decline seems probable. It is the only example, at present, of a definite effort to reduce acreage. The tense political situation in Europe along with reduced stocks in most countries seems likely to postpone any further official action to discourage wheat production, a development which seemed to be gaining favor in many countries a year ago. New record acreages were recorded in 1936 for the Irish Free State and Finland, and further expansion in wheat area seems to be desired by these countries.

The fall seeding plan in Russia shows a further increase for the wheat area, the announced figure being 36,818,000 acres compared with 34,718,000 acres sown in 1935. The figures for Russia, however, are not included in the European total and, as much of the increase in the winter wheat area appears to be at the expense of rye, the net change in bread grain acreage is not as significant as it would seem at first glance.

Yields in several countries in 1937 will, doubtless, be larger than in 1936, but in others they will probably be smaller, so that the net change may not be greatly different from the present average figure of about 20 bushels per acre. This yield figure is the average for the past 8 years, and it is also virtually the same as the 5-year moving average during this period, 1929-36. The 5-year moving average for the next period, 1933-37, however, may somewhat exceed the figure of 20 bushels per acre, (probable limit 20.5), especially if a generally good crop is harvested. After that, however, the average seems likely to decline slightly, or barely be maintained until another exceptional year like 1933, is experienced.

Some increase above the low level of yields noted this year in Mediterranean countries is not at all improbable. As France, Spain, and Italy generally account for nearly half of the total European wheat crop an important increase in yields in these countries will be very difficult to offset. If these countries have increased yields, larger crops will probably also be harvested in the French North African region. The unsettled domestic political situation in Spain, however, may result in a decreased acreage in that country. Were Spain eliminated from this group of countries they would still constitute about one-third of the European total. Inasmuch as the Danube Basin countries report very good crops this year, and production in that region during recent years has shown a strong tendency to fluctuate, it seems not unlikely that a somewhat smaller outturn might be harvested in this region in 1937. As the Danube crop, however, usually accounts for only about 20 percent of the European total, it is unlikely that any decrease recorded in this region next year could offset the increase that might be made in France, Spain, and Italy. This leaves the crop in Central Europe, particularly in Germany, Poland, and Czechoslovakia, which on the average accounts for nearly another 20 percent of the European total, as very important in determining the possible trend in production. The crop in these countries this year shows no marked changes from last year or from average. Thus, if the crop in this region is also unchanged next year, the net result for Europe might easily be an increased total for wheat. If a larger crop is harvested in both this region and the Mediterranean countries, there is little doubt that the European total will be considerably larger than this year. In case a smaller crop is harvested in these Central European countries, however, the total for Europe may not be greatly changed from the 1936 outturn, though, in any event, some increase over this year would not be surprising unless Europe, as a whole, experiences a generally unfavorable crop year.

Table 9.- Wheat: World supply, disappearance and price, 1922-23 to date

Year	Production: United States	Production: Canada Argentina and Australia	Production: Europe	Production: All other	Production: World production	Net exports from Russia	Stocks on about July 1	Total supply 1/	Total disappearance	British parcels, average price per bushel 2/
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Cents
1922-23	847	705	1,045	606	3,203	1	588	3,792	3,216	92
1923-24	759	847	1,257	656	3,519	21	576	4,116	3,397	84
1924-25	842	618	1,058	610	3,128	---	719	3,846	3,280	110
1925-26	669	701	1,397	613	3,380	27	566	3,973	3,318	108
1926-27	832	798	1,216	647	3,493	49	655	4,198	3,511	108
1927-28	875	880	1,274	644	3,673	5	687	4,365	3,612	104
1928-29	914	1,076	1,410	596	3,996	---	753	4,749	3,722	91
1929-30	823	595	1,451	705	3,574	7	1,027	4,608	3,665	101
1930-31	886	867	1,360	734	3,847	112	943	4,902	3,848	75
1931-32	936	732	1,436	756	3,860	70	1,054	4,984	3,943	76
1932-33	757	898	1,492	718	3,865	17	1,041	4,921	3,779	78
1933-34	552	745	1,745	767	3,809	34	1,142	4,985	3,818	70
1934-35 3/	526	650	1,548	789	3,513	2	1,167	4,682	3,762	79
1935-36 3/	623	561	1,577	793	3,554	29	920	4,503	3,756	84
1936-37 3/	627	602	1,494	739	3,462	---	747	4,209		

1/ Excludes production and stocks in Russia and China.
2/ Deflated by Statist Index (1910-1914 = 100), and converted at par.
3/ Preliminary.

Table 10.-Wheat: Stocks in major exporting countries and afloat, as of July 1, 1922 to date

Year	United States 1/	Canadian grain 2/	Argentina	Australia	United Kingdom 3/	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels
1922	110	48	81	27	61	327
1923	134	45	66	40	56	341
1924	137	67	77	36	62	379
1925	111	48	71	37	51	318
1926	101	62	83	28	53	327
1927	111	66	87	47	59	370
1928	115	128	105	44	61	453
1929	232	152	153	48	61	646
1930	294	154	68	58	44	618
1931	327	158	92	80	56	713
1932	391	161	71	59	56	738
1933	382	238	96	71	44	831
1934	274	222	141	102	48	787
1935	146	226	103	69	38	582
1936	137	155	73	51	37	453

Compiled as follows: United States - Stocks on farms, in country mills and elevators, commercial, in merchant mills and elevators, in transit to merchant mills and elevators, and stored for others by merchant mills. Canada - 1922-1923, carry-over August 31, plus net exports and retention of flour during July and August. 1924 to date, carry-over July 31, plus net exports and retention of flour for July. Argentina - carry-over on December 31, plus exports and domestic consumption, July 1 to December 31. Australia - 1922 - 1924, exports only plus domestic consumption, July 1 to November 30. 1925 to date, carry-over on December 1, plus net exports and domestic consumption July 1 to November 30.

1/ Includes United States wheat in Canada.
2/ Includes Canadian wheat in United States.
3/ Includes stocks in United Kingdom ports, supplies afloat to United Kingdom, Continent, and for orders.

Table 11.- Surplus for export or carry-over in the three principal exporting countries, United Kingdom port stocks and stocks afloat, October 1, 1933-36 1/

Position	1933	1934	1935	1936
	Million bushels	Million bushels	Million bushels	Million bushels
Canada:				
In Canada	359	333	325	196
In United States	6	14	21	19
Argentina	23	55	36	19
Australia	30	59	31	16
Total	418	461	413	250
United Kingdom port stocks	13	15	6	6
Stocks afloat to:				
United Kingdom	12	12	12	16
Continent	11	11	7	10
Orders	11	10	5	3
Total	47	48	30	35
Total above	465	509	443	285

1/ Represents approximately total stocks of wheat minus domestic requirements for the remainder of each country's crop year, i.e., minus domestic requirements for September - June in the case of Canada, September - November in the case of Australia, and September - December in the case of Argentina.

Table 12.- Wheat, including flour: Movement from principal exporting countries, 1933-34 to 1936-37

Country	Exports as given by official sources						Date
	Total			July 1 to date shown			
	1933-34	1934-35	1935-36	1934-35	1935-36	1936-37	
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	
United States	37,002	21,532	15,930	8,203	3,833	5,461	Sept.30
Canada	198,555	169,630	237,447	50,630	53,382	73,239	Sept.30
Argentina	144,854	187,000	76,577	51,729	32,740	12,817	Sept.30
Australia	86,509	108,010	102,258	7,647	7,523	4,098	July 31
Russia	33,787	4,286	29,704	481	247	246	July 31
Hungary	29,615	12,499	14,644	356	414	2,964	July 31
Yugoslavia	839	4,401	728	218	38	79	July 31
Rumania	248	3,432	9,996	0	0	0	July 31
Bulgaria	4,236	375	987	0	0	151	July 31
British India	2,084	2,318	2,529				
Total	537,729	513,483	490,800				

	Shipments as given by trade sources						
	Total		Week ended			July 1 - Oct. 24	
	1934-35	1935-36	Oct. 10	Oct. 17	Oct. 24	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America 1/	162,832	219,688	5,203	3,590	4,049	48,968	89,800
Canada, 4 markets 2/	176,059	246,199	7,449	7,103	9,982	118,842	102,823
United States	20,997	14,207	573	323	209	4,355	5,614
Argentina	186,228	77,384	460	1,568	1,979	39,288	17,627
Australia	111,628	110,060	792	1,540	1,062	28,384	20,602
Russia	1,672	30,224	88	0	0	15,096	88
Danube & Bulgaria 3/	4,104	8,216	1,968	2,024	2,952	4,056	25,752
British India	4/2,318	4/2,529	152	424	808	136	3,128
Total 5/	468,782	448,101				135,928	156,997
Total European shipments 1/	387,752	355,032	8,040			6/92,136	6/105,824
Total ex-European shipments 1/	147,938	133,528	2,360			6/32,080	6/41,992

1/ Broomhall's Corn Trade News.
2/ Fort William, Port Arthur, Vancouver, Prince Rupert, and New Westminster.
3/ Black Sea shipments only.
4/ Official.
5/ Total of trade figures includes North America as reported by Broomhall's, but does not include items 2 and 3.
6/ To October 10.

Table 13.- United States: Exports of wheat and wheat flour, 1935-36 and 1936-37 1/

Week ended	Wheat		Wheat flour		Wheat including flour	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 barrels	1,000 barrels	1,000 bushels	1,000 bushels
July - Aug.	74	204	518	396	2,509	2,065
Week ended -						
Sept. 5 ...	0	111	14	35	66	275
12 ...	10	0	34	40	170	188
19 ...	2	261	26	37	124	435
26 ...	2	51	30	23	143	159
Oct. 3 ...	0	92	31	67	146	407
10 ...	3	366	24	44	116	573
17....	0	205	35	25	164	323
24....	1	45	20	35	95	209

Compiled from reports of the Department of Commerce.

1/ Includes flour milled in bond from foreign wheat.

Table 14.- Wheat, including flour: Shipments from principal exporting countries, specified dates, 1935-36 and 1936-37

Week ended	Argentina		Australia		Danube		North America	
	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37	1935-36	1936-37
	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
July - Aug.	21,608	8,576	12,944	9,496	1,096	6,248	48,488	91,109
Week ended-								
Sept. 5	2,432	808	1,388	1,356	88	1,336	2,256	5,072
12	3,440	1,336	1,560	960	456	3,552	2,784	5,624
19	2,564	952	2,384	1,344	56	2,872	3,672	6,048
26	1,056	792	1,824	2,176	296	1,800	3,680	4,744
Oct. 3	3,136	1,156	1,936	1,376	344	3,000	3,944	5,366
10	1,880	460	1,808	792	400	1,968	3,968	6,512
17	1,368	1,568	2,508	1,540	544	2,024	3,928	3,590
24	1,804	1,979	2,032	1,062	776	2,952	3,664	4,049

Compiled from Broomhall's Corn Trade News.

Table 15.-Wheat, including flour: Net imports into European countries, year beginning July 1, 1935-36 to 1936-37

Country	1935-36	1936-37 forecast 1/	Net imports reported: July 1 to	Net imports reported: 1935-36	Net imports reported: 1936-37
	Million bushels	Million bushels		Million bushels	Million bushels
Austria	7	10	Aug. 31	2	2
Belgium	39	40	Aug. 31	7	7
Czechoslovakia	1	2/ -7	Aug. 31	3/	4/
Denmark	9	10	Sept. 30	2	2
Finland	4	3	Aug. 31	1	1
France	5/ 6	51	Apr. 30	2/ -8	6
Germany	3/	11	Aug. 31	3/	4/
Greece	5/ 11	17	Apr. 30	10	11
Irish Free State	15	14	Sept. 30	4	4
Latvia	2/ -2	1	July 31	2/ -1	4/
Netherlands	21	22	Aug. 31	4	3
Norway	8	8	Sept. 30	2	1
Poland	2/ -8	2/ -6	Aug. 31	2/ -2	2/ -2
Portugal	2/ -3	4	July 31	3/	3/
Spain	3/	6	July 31	4/	0
Sweden	2/ -2	1	Aug. 31	2/ -1	2/ -1
Switzerland	17	17	July 31	2	2
United Kingdom	205	220	Sept. 30	46	48
Total imports	341	435		80	87
Total exports	15	13		12	3
Total, net imports	326	422		68	84

Compiled from official sources, except as otherwise stated.

1/ Estimate of the Berlin office of Foreign Agricultural Service.
2/ Net exports.
3/ Less than 500,000 bushels.
4/ Net exports of less than 500,000 bushels.
5/ Total of first 10 months.